

SOCIAL SECURITY AMENDMENTS OF 1972

OCTOBER 14, 1972.—Ordered to be printed

Mr. MILLS of Arkansas, from the committee of conference,
submitted the following

CONFERENCE REPORT

[To accompany H.R. 1]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1) to amend the Social Security Act to increase benefits and improve eligibility and computation methods under the OASDI program, to make improvements in the medicare, medicaid, and maternal and child health programs with emphasis on improvements in their operating effectiveness, to replace the existing Federal-State public assistance programs with a Federal program of adult assistance and a Federal program of benefits to low-income families with children with incentives and requirements for employment and training to improve the capacity for employment of members of such families, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 41, 51, 98, 116, 118, 119, 120, 121, 122, 123, 124, 125, 126, 210, 211, 213, 214, 215, 221, 223, 224, 225, 236, 309, 327, 328, 329, 330, 351, 353, 354, 355, 356, 370, 414, 415, 416, 419, 445, 446, 448, 449, 478, 479, 493, 496, 497, 498, 507, 508, 509, 510, 511, 515, 530, 532, 533, 534, 539, 544, 553, 554, 556, 559, 560, 562, 563, 566, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, and 583.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 4, 5, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 42, 43, 44, 45, 46, 47, 48, 49, 50, 53, 54, 55, 56, 57, 58, 59, 60, 62, 64, 65, 66, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 117, 127, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 185, 186, 187, 188, 190, 192, 194, 195, 196, 197, 199, 201, 206, 207, 227, 228, 230, 231, 232, 233, 234, 235, 237, 238, 239, 240,

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Amendment numbered 2:

That the House recede from its disagreement with the amendment of the Senate numbered 2, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

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And the Senate agree to the same.

Amendment numbered 6:

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: \$8.50; and the Senate agree to the same.

Amendment numbered 26:

That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with amendments, as follows:

Strike out the matter proposed to be stricken by the Senate amendment and insert the matter proposed to be inserted by the Senate amendment.

On page 43 of the House engrossed bill after line 8, insert the following:

(2) *Section 202 (g) (3) of such Act is amended—*

(A) by striking out clause (ii) of subparagraph (E) and inserting in lieu thereof the following:

“(ii) the amount equal to the sum of (I) the amount by which such widow’s or widower’s insurance benefit would be reduced under paragraph (1) if the period specified in paragraph (6) (A) ended with the month before the month in which she or he attained age 62 and (II) the amount by which such old-age insurance benefit would be reduced under paragraph (1) if it were equal to the excess of such old-age insurance benefit (before reduction under this subsection) over such widow’s or widower’s insurance benefit (before reduction under this subsection)”.

(B) by striking out clause (ii) of subparagraph (F) and inserting in lieu thereof the following:

“(ii) the amount equal to the sum of (I) the amount by which such widow’s or widower’s insurance benefit would be reduced under paragraph (1) if the period specified in paragraph (6) (A) ended with the month before the month in which she or he attained age 62 and (II) the amount by which such disability insurance benefit would be reduced under paragraph (2) if it were equal to the excess of such disability insurance benefit (before reduction under this subsection) over such widow’s or widower’s insurance benefit (before reduction under this subsection)”.

(C) by striking out “had such individual attained age 62 in” in subparagraph (G) and inserting in lieu thereof “as if the period specified in paragraph (6) (A) (or, if such paragraph does not apply, the period specified in paragraph (6) (B)) ended with the month before”.

On page 43, line 9, of the House engrossed bill, strike out “(2)” and insert the following: (3)

On page 44, line 1 of the House engrossed bill, strike out “(3)” and insert the following: (4)

On page 44 of the House engrossed bill, after line 4, insert the following:

(5) Section 202(q)(3) of such Act is amended by adding at the end thereof the following new subparagraph:

“(H) Notwithstanding subparagraph (A) of this paragraph, if the first month for which an individual is entitled to a widow’s or widower’s insurance benefit is a month for which such individual is also entitled to an old-age insurance benefit to which such individual was first entitled for a month before she or he became entitled to a widow’s or widower’s benefit, the reduction in such widow’s or widower’s insurance benefit shall be determined under paragraph (1).”

And the Senate agree to the same.

Amendment numbered 52:

That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following: 1969, and 1972 (and by Public Law 92-5); and the Senate agree to the same.

Amendment numbered 61:

That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out by the Senate amendment; and on page 59, lines 3 and 4, of the House engrossed bill, strike out “and section 3121(a)(9) of the Internal Revenue Code of 1954”; and the Senate agree to the same.

Amendment numbered 63:

That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out by the Senate amendment, and on page 59, lines 8 and 9, of the House engrossed bill, strike out “and section 3121(a)(9) of the Internal Revenue Code of 1954”; and the Senate agree to the same.

Amendment numbered 67:

That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following: \$175; and the Senate agree to the same.

Amendment numbered 68:

That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following: \$175; and the Senate agree to the same.

Amendment numbered 69:

That the House recede from its disagreement to the amendment of the Senate numbered 69, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following: *\$175*; and the Senate agree to the same.

Amendment numbered 128:

That the House recede from its disagreement to the amendment of the Senate numbered 128, and agree to the same with amendments as follows:

Restore the matter proposed to be stricken out by the Senate amendment, and omit the matter proposed to be inserted by the Senate amendment.

On page 98, line 22, of the House engrossed bill, strike out "123" and insert the following: *117*

On page 100, line 10, of the House engrossed bill, strike out "1972" and insert the following: *1973*; and the Senate agree to the same.

Amendment numbered 184:

That the House recede from its disagreement to the amendment of the Senate numbered 184, and agree to the same with an amendment as follows:

On page 34, line 20, of the Senate engrossed amendments, strike out "insurance" and insert the following: *insurance*); and the Senate agree to the same.

Amendment numbered 189:

That the House recede from its disagreement to the amendment of the Senate numbered 189, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following: *4.85*; and the Senate agree to the same.

Amendment numbered 191:

That the House recede from its disagreement to the amendment of the Senate numbered 191, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following: *4.80*; and the Senate agree to the same.

Amendment numbered 193:

That the House recede from its disagreement to the amendment of the Senate numbered 193, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following: *5.85*; and the Senate agree to the same.

Amendment numbered 198:

That the House recede from its disagreement to the amendment of the Senate numbered 198, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following: *4.85*; and the Senate agree to the same.

Amendment numbered 200:

That the House recede from its disagreement to the amendment of the Senate numbered 200, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following: *4.80*; and the Senate agree to the same.

Amendment numbered 202:

That the House recede from its disagreement to the amendment of the Senate numbered 202, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following: *5.85*; and the Senate agree to the same.

Amendment numbered 203:

That the House recede from its disagreement to the amendment of the Senate numbered 203, and agree to the same with amendments as follows:

On page 36, line 16, of the Senate engrossed amendments, strike out "1.1" and insert the following: *1.0*

On page 36, line 20, of the Senate engrossed amendments, strike out "1.3" and insert the following: *1.25*

On page 37, line 1, of the Senate engrossed amendments, strike out "1993" and insert the following: *1986*

On page 37, line 2, of the Senate engrossed amendments, strike out "1.5" and insert the following: *1.35*

On page 37, line 5, of the Senate engrossed amendments, strike out "1992" and insert the following: *1985*

On page 37, line 5, of the Senate engrossed amendments, strike out "1.6" and insert the following: *1.45*

And the Senate agree to the same.

Amendment numbered 204:

That the House recede from its disagreement to the amendment of the Senate numbered 204, and agree to the same with amendments as follows:

On page 37, line 13, of the Senate engrossed amendments, strike out "1.1" and insert the following: *1.0*

On page 37, line 16, of the Senate engrossed amendments, strike out "1.3" and insert the following: *1.25*

On page 37 of the Senate engrossed amendments, strike out lines 17 through 22 and insert the following:

"(4) with respect to wages received during the calendar years 1981, 1982, 1983, 1984, and 1985, the rate shall be 1.35 percent; and

"(5) with respect to wages received after December 31, 1985, the rate shall be 1.45 percent."

And the Senate agree to the same.

Amendment numbered 205:

That the House recede from its disagreement to the amendment of the Senate numbered 205, and agree to the same with amendments as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

On page 38, line 5, of the Senate engrossed amendments, strike out "1.1" and insert the following: *1.0*

On page 38, line 7, of the Senate engrossed amendments, strike out "1.3" and insert the following: *1.25*

On page 38 of the Senate engrossed amendments, strike out lines 9 through 14, and insert the following:

"(4) with respect to wages paid during the calendar years 1981, 1982, 1983, 1984, and 1985, the rate shall be 1.35 percent; and

"(5) with respect to wages paid after December 31, 1985, the rate shall be 1.45 percent."

And the Senate agree to the same.

Amendment numbered 208:

That the House recede from its disagreement to the amendment of the Senate numbered 208, and agree to the same with amendments as follows:

On page 38, line 22, of the Senate engrossed amendments, strike out "1.15" and insert the following: *1.1*

On page 38, line 24, of the Senate engrossed amendments, strike out "1.40" and insert the following: *1.15*

On page 39, line 2, of the Senate engrossed amendments, strike out "1.60" and insert the following: *1.5*

On page 39, line 5, of the Senate engrossed amendments, strike out "0.83" and insert the following: *0.795*

On page 39, line 7, of the Senate engrossed amendments, strike out "1.00" and insert the following: *0.84*

On page 39, line 9, of the Senate engrossed amendments, strike out "0.935" and insert the following: *0.895*

And the Senate agree to the same.

Amendment numbered 209:

That the House recede from its disagreement to the amendment of the Senate numbered 209, and agree to the same with an amendment, as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

METHOD OF ISSUANCE OF SOCIAL SECURITY ACCOUNT NUMBERS

SEC. 137. (a) Section 205(c)(2) of the Social Security Act is amended—

(1) by inserting "(A)" immediately after "(2)"; and

(2) by adding at the end thereof the following new subparagraph:

"(B)(i) In carrying out his duties under subparagraph (A), the Secretary shall take affirmative measures to assure that social security account numbers will, to the maximum extent practicable, be assigned to all members of appropriate groups or categories of individuals by assigning such numbers (or ascertaining that such numbers have already been assigned):

"(I) to aliens at the time of their lawful admission to the United States either for permanent residence or under other authority of law permitting them to engage in employment in the United States and to other aliens at such time as their status is so changed as to make it lawful for them to engage in such employment;

"(II) to any individual who is an applicant for or recipient of benefits under any program financed in whole or in part

from Federal funds including any child on whose behalf such benefits are claimed by another person; and

“(III) to any other individual when it appears that he could have been but was not assigned an account number under the provisions of subclauses (I) or (II) but only after such investigation as is necessary to establish to the satisfaction of the Secretary, the identity of such individual, the fact that an account number has not already been assigned to such individual, and the fact that such individual is a citizen or a noncitizen who is not, because of his alien status, prohibited from engaging in employment;

and, in carrying out such duties, the Secretary is authorized to take affirmative measures to assure the issuance of social security numbers:

“(IV) to or on behalf of children who are below school age at the request of their parents or guardians; and

“(V) to children of school age at the time of their first enrollment in school.

“(ii) The Secretary shall require of applicants for social security account numbers such evidence as may be necessary to establish the age, citizenship, or alien status, and true identity of such applicants, and to determine which (if any) social security account number has previously been assigned to such individual.

“(iii) In carrying out the requirements of this subparagraph, the Secretary shall enter into such agreements as may be necessary with the Attorney General and other officials and with State and local welfare agencies and school authorities (including non-public school authorities).”

And the Senate agree to the same.

Amendment numbered 212:

That the House recede from its disagreement to the amendment of the Senate numbered 212, and agree to the same with amendments as follows:

On page 53, line 24, of the Senate engrossed amendments, strike out “140” and insert the following: 138

On page 53, line 25, of the Senate engrossed amendments, strike out “128(a)” and insert the following: 122(a)

On page 54, line 14, of the Senate engrossed amendments, strike out “128(b)” and insert the following: 122(b)

On page 55, line 2, of the Senate engrossed amendments, strike out “during” and insert the following: for

And the Senate agree to the same.

Amendment numbered 216:

That the House recede from its disagreement to the amendment of the Senate numbered 216, and agree to the same with an amendment as follows:

On page 57, line 4, of the Senate engrossed amendments, strike out “144” and insert the following: 139; and the Senate agree to the same.

Amendment numbered 217:

That the House recede from its disagreement to the amendment of the Senate numbered 217, and agree to the same with amendments as follows:

On page 57, line 21, of the Senate engrossed amendments, strike out “145” and insert the following: 140

On page 58, line 9, of the Senate engrossed amendments, strike out "code" and insert the following: *Code*

And the Senate agree to the same.

Amendment numbered 218:

That the House recede from its disagreement to the amendment of the Senate numbered 218, and agree to the same with an amendment as follows:

On page 59, line 5, of the Senate engrossed amendments, strike out "146" and insert the following: *141*; and the Senate agree to the same.

Amendment numbered 219:

That the House recede from its disagreement to the amendment of the Senate numbered 219, and agree to the same with amendments as follows:

On page 60, line 13, of the Senate engrossed amendments, strike out "147" and insert the following: *142*

On page 60, after line 15, of the Senate engrossed amendments, insert the following:

BENEFITS IN CASE OF CERTAIN INDIVIDUALS INTERNED DURING WORLD WAR II

On page 62, line 1, of the Senate engrossed amendments, strike out "computation" and insert the following: *commutation*

And the Senate agree to the same.

Amendment numbered 220:

That the House recede from its disagreement to the amendment of the Senate numbered 220, and agree to the same with an amendment, as follows:

On page 65, line 5, of the Senate engrossed amendments, strike out "148" and insert the following: *143*; and the Senate agree to the same.

Amendment numbered 222:

That the House recede from its disagreement to the amendment of the Senate numbered 222, and agree to the same with amendments, as follows:

On page 69, line 16, of the Senate engrossed amendments, strike out "150" and insert the following: *144*

On page 70, line 7, of the Senate engrossed amendments, strike out "203" and insert the following: *230*

And the Senate agree to the same.

Amendment numbered 226:

That the House recede from its disagreement to the amendment of the Senate numbered 226, and agree to the same with amendments, as follows:

On page 80, line 18, of the Senate engrossed amendments, strike out "154" and insert the following: *145*; and the Senate agree to the same.

Amendment numbered 229:

That the House recede from its disagreement to the amendment of the Senate numbered 229, and agree to the same with amendments as follows:

Strike out the matter proposed to be stricken out by the Senate amendment and insert the matter proposed to be inserted by the Senate amendment.

On page 137, lines 22 and 23, of the House engrossed bill, strike out "paragraph (2) of subsection (a)" and insert the following: *subsection (b)*

On page 138, line 12, of the House engrossed bill, strike out "(a) (2)" and insert the following: *(b)*

On page 138, lines 13 and 14, of the House engrossed bill, strike out "subparagraph (B) (iii)" and insert the following: *paragraph (2) (A) (iii)*

And the Senate agree to the same.

Amendment numbered 253:

That the House recede from its disagreement to the amendment of the Senate numbered 252, and agree to the same with amendments as follows:

On page 84, line 7, of the Senate engrossed amendments, strike out "therefor" and insert the following: *for such hospital insurance benefits*

On page 84, lines 8 and 9, of the Senate engrossed amendments, strike out "at the time she filed for mother's insurance benefits".

And the Senate agree to the same.

Amendment numbered 293:

That the House recede from its disagreement to the amendment of the Senate numbered 293, and agree to the same with amendments as follows:

Restore the matter proposed to be stricken out by the Senate amendment, and on page 152, line 23, of the House engrossed bill, strike out "1971" and insert the following: *1972*

On page 153, line 2, of the House engrossed bill, strike out "1971" and insert the following: *1972*

And the Senate agree to the same.

Amendment numbered 294:

That the House recede from its disagreement to the amendment of the Senate numbered 294, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out by the Senate amendment, and omit the matter proposed to be inserted by the Senate amendment; and the Senate agree to the same.

Amendment numbered 310:

That the House recede from its disagreement to the amendment of the Senate numbered 310, and agree to the same with an amendment as follows:

Restore the matter proposed to be stricken out by the Senate amendment; and the Senate agree to the same.

Amendment numbered 312:

That the House recede from its disagreement to the amendment of the Senate numbered 312, and agree to the same with an amendment as follows:

On page 93 of the Senate engrossed amendments strike out "and" on line 8 and all that follows down through line 11; and the Senate agree to the same.

Amendment numbered 314 :

That the House recede from its disagreement to the amendment of the Senate numbered 314, and agree to the same with amendments as follows :

On page 93, lines 16 and 17, of the Senate engrossed amendments, strike out "AND NEWLY ELIGIBLE ADULT WELFARE RECIPIENTS".

On page 93 of the Senate engrossed amendments, strike out line 21 and all that follows over to and including line 12 on page 95, and insert the following :

"(e) *Notwithstanding any other provision of this title, effective January 1, 1974, each State plan approved under this title must provide that each family which was eligible for assistance pursuant to part A of title IV in at least 3 of the 6 months immediately preceding the month in which such family became ineligible for such assistance because of increased income from employment, shall, while a member of such family is employed, remain eligible for such assistance for 4 calendar months following the month in which such family would otherwise be determined to be ineligible for such assistance because of the income and resources limitations contained in such plan.*"

On page 95, line 13, of the Senate engrossed amendments, strike out "(c)" and insert the following : (b)

On page 95, line 19, of the Senate engrossed amendments, strike out "as defined in" and insert the following : *within the meaning of*

On page 96, line 10, of the Senate engrossed amendments, strike out "1973" and insert the following : 1974

And the Senate agree to the same.

Amendment numbered 326 :

That the House recede from its disagreement to the amendment of the Senate numbered 326, and agree to the same with an amendment as follows :

On page 102 of the Senate engrossed amendments, strike out "filed" in line 2 and all that follows down through the end of line 16, and insert the following : *filed with respect to items or services furnished after the date of the enactment of this Act.*; and the Senate agree to the same.

Amendment numbered 347 :

That the House recede from its disagreement to the amendment of the Senate numbered 347, and agree to the same with amendments as follows :

On page 139, line 6, of the Senate engrossed amendments, after "establish;" insert the following : *and*

On page 139 of the Senate engrossed amendments, strike out line 7 and all that follows down through page 140, line 11.

On page 140, line 12, of the Senate engrossed amendments, strike out "(L)" and insert the following : (I)

And the Senate agree to the same.

Amendment numbered 361 :

That the House recede from its disagreement to the amendment of the Senate numbered 361, and agree to the same with an amendment as follows :

On page 142, line 3, of the Senate engrossed amendments, strike out "lower" and insert the following: *lowest*; and the Senate agree to the same.

Amendment numbered 365 :

That the House recede from its disagreement to the amendment of the Senate numbered 365, and agree to the same with amendments as follows:

Restore the matter proposed to be stricken out by the Senate amendment.

On page 201, line 12, of the House engrossed bill, strike out "1971" and insert the following: *1972*

On page 201, line 23, of the House engrossed bill, strike out "1971" and insert the following: *1972*

On page 202, line 14, of the House engrossed bill, after "directly" insert the following: *from cost increases which the Secretary determines are attributable to the upgrading of services and facilities required by this Act or*

On page 202, line 17, of the House engrossed bill, strike out "1971" and insert the following: *1972*

And the Senate agree to the same.

Amendment numbered 367 :

That the House recede from its disagreement to the amendment of the Senate numbered 367, and agree to the same with amendments as follows:

On page 143, line 5, of the Senate engrossed amendments, strike out "(iv)" and insert the following: *(iii)*

On page 144, line 15, of the Senate engrossed amendments, strike out "10" and insert the following: *20*

On page 144, line 16, of the Senate engrossed amendments, strike out "costs" and insert the following: *cost*

On page 144 of the Senate engrossed amendments, strike out lines 19 through 21.

On page 144, line 22, of the Senate engrossed amendments, strike out "(III)" and insert the following: *(II)*

On page 145 of the Senate engrossed amendments, strike out lines 5 through 23 and insert the following:

cost of providing such services, the resulting difference (hereinafter referred to as 'losses'), shall be absorbed by such organization, and shall be carried forward and offset from savings realized in later years, with the apportionment of savings being proportional to the losses absorbed and not yet offset;

On page 145, line 24, of the Senate engrossed amendments, strike out "(iv)" and insert the following: *(iii)*

On page 146, line 5, of the Senate engrossed amendments, strike out "or losses".

On page 147, line 5, of the Senate engrossed amendments, strike out "(v)" and insert the following: *(iv)*

And the Senate agree to the same.

Amendment numbered 371 :

That the House recede from its disagreement to the amendment of the Senate numbered 371, and agree to the same with an amendment as follows:

On page 150, lines 4 and 5, of the Senate engrossed amendments, strike out "generally"; and the Senate agree to the same.

Amendment numbered 392 :

That the House recede from its disagreement to the amendment of the Senate numbered 392, and agree to the same with amendments as follows :

On page 153, line 15, of the Senate engrossed amendments, strike out "and losses".

On page 154, line 9, of the Senate engrossed amendments, strike out "its proportionate share of" and insert the following : *the*

And the Senate agree to the same.

Amendment numbered 397 :

That the House recede from its disagreement to the amendment of the Senate numbered 397, and agree to the same with an amendment as follows :

On page 156, line 2, of the Senate engrossed amendments, strike out "(iv)" and insert the following : *(iii)* ; and the Senate agree to the same.

Amendment numbered 402 :

That the House recede from its disagreement to the amendment of the Senate numbered 402, and agree to the same with amendments as follows :

On page 157, line 20, of the Senate engrossed amendments, strike out "or losses (as the case may be)".

On page 157, line 21, of the Senate engrossed amendments, after "Trust Funds" insert the following : , *or the resulting losses shall be absorbed by such organization,*

And the Senate agree to the same.

Amendment numbered 407 :

That the House recede from its disagreement to the amendment of the Senate numbered 407, and agree to the same with an amendment as follows :

On page 159, line 3, of the Senate engrossed amendments, strike out "extended care" and insert the following : *skilled nursing* ; and the Senate agree to the same.

Amendment numbered 413 :

That the House recede from its disagreement to the amendment of the Senate numbered 413, and agree to the same with amendments as follows :

Restore the matter proposed to be stricken out by the Senate amendment, and on page 231, lines 16 and 17, of the House engrossed bill, strike out "and included in the plan" and insert the following : *and reviewed and approved by the Secretary and (after notice of approval by the Secretary) included in the plan* ; and the Senate agree to the same.

Amendment numbered 420 :

That the House recede from its disagreement to the amendment of the Senate numbered 420, and agree to the same with amendments as follows :

Restore the matter proposed to be stricken out by the Senate amendment, strike out the matter proposed to be inserted by the Senate amendment, and on page 241, line 1, of the House engrossed bill, after "systems" insert the following : *(whether such systems are operated*

directly by the State or by another person under a contract with the State) ; and the Senate agree to the same.

Amendment numbered 451 :

That the House recede from its disagreement to the amendment of the Senate numbered 451, and agree to the same with an amendment as follows :

Strike out the matter proposed to be stricken out by the Senate amendment, insert the matter proposed to be inserted by the Senate amendment, and on page 255, line 22, of the House engrossed bill strike out "*POVIDER*" and insert the following: *PROVIDER*; and the Senate agree to the same.

Amendment numbered 453 :

That the House recede from its disagreement to the amendment of the Senate numbered 453, and agree to the same with an amendment as follows :

On page 166, line 3, of the Senate engrossed amendment, strike out "\$10,000" and insert the following: *\$50,000*; and the Senate agree to the same.

Amendment numbered 457 :

That the House recede from its disagreement to the amendment of the Senate numbered 457, and agree to the same with an amendment as follows :

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following: *or regulations of the Secretary*; and the Senate agree to the same.

Amendment numbered 467 :

That the House recede from its disagreement to the amendment of the Senate numbered 467, and agree to the same with amendments as follows :

On page 172, line 17, of the Senate engrossed amendments, strike out "(16)" and insert the following: (15)

On page 172, line 22, of the Senate engrossed amendments, after "person" insert the following: *who*

On page 172, line 23, of the Senate engrossed amendments, strike out "1" and insert the following: 10

On page 174, line 3, of the Senate engrossed amendments, strike out "homes;" and insert the following: *facilities; and* and

On page 174 of the Senate engrossed amendments, strike out line 4 and all that follows down through line 11.

On page 174, line 12, of the Senate engrossed amendments, strike out "(16)" and insert the following: (15)

On page 174, line 13, of the Senate engrossed amendments, strike out "(3)" and insert the following: (2)

And the Senate agree to the same.

Amendment numbered 470 :

That the House recede from its disagreement to the amendment of the Senate numbered 470, and agree to the same with amendments as follows :

On page 177, line 4, of the Senate engrossed amendments, strike out "*HOMES*".

On page 177, line 13, of the Senate engrossed amendments, strike out "1974" and insert the following: 1976

On page 177, line 14, of the Senate engrossed amendments, strike out "skilled nursing home" and insert the following: *skilled nursing facility*

And the Senate agree to the same.

Amendment numbered 471:

That the House recede from its disagreement to the amendment of the Senate numbered 471, and agree to the same with an amendment as follows:

On page 179 of the Senate engrossed amendments beginning with line 5, strike out down through page 184, line 10, and insert the following:

MEDICAID CERTIFICATION AND APPROVAL OF SKILLED NURSING FACILITIES

SEC. 249A. (a) *Title XIX of the Social Security Act is amended by adding at the end thereof (after the new section 1909 added by this Act) the following new section:*

"CERTIFICATION AND APPROVAL OF SKILLED NURSING FACILITIES

"SEC. 1910. (a) *Whenever the Secretary certifies an institution in a State to be qualified as a skilled nursing facility under title XVIII, such institution shall be deemed to meet the standards for certification as a skilled nursing facility for purposes of section 1902(a)(28).*

"(b) *The Secretary shall notify the State agency administering the medical assistance plan of his approval or disapproval of any institution which has applied for certification by him as a qualified skilled nursing facility.*"

(b) *Section 1866(a)(1) of the Social Security Act is amended by adding at the end thereof the following sentence: "An agreement under this paragraph with an extended care facility shall be for a term of not exceeding 12 months, except that the Secretary may extend such term for a period not exceeding 2 months, where the health and safety of patients will not be jeopardized thereby, if he finds that such extension is necessary to prevent irreparable harm to such facility or hardship to the individuals being furnished items or services by such facility or if he finds it impracticable within such 12-month period to determine whether such facility is complying with the provisions of this title and regulations thereunder."*

(c) *Section 1866(b) of such Act is amended by—*

(1) *striking out, in the material which precedes clause (1), "terminated-" and inserting in lieu thereof "terminated (and in the case of an extended care facility, prior to the end of the term specified in subsection (a)(1))-"*; and

(2) *by striking out all of clause (3) appearing after the phrase "Any termination shall be applicable—" and inserting in lieu thereof the following:*

"(3) *in the case of inpatient hospital services (including tuberculosis hospital services and inpatient psychiatric hospital services) or post-hospital extended care services, with respect to services furnished after the effective date of such termination, except that payment may be made for up to thirty days with re-*

spect to inpatient institutional services furnished to any eligible individual who was admitted to such institution prior to the effective date of such termination.”

(d) Section 1866(c) of such Act is amended by inserting “(1)” after “(c)” and by adding at the end thereof the following new paragraph:

“(2) In the case of a skilled nursing facility participating in the programs established by this title and title XIX, the Secretary may enter into an agreement under this section only if such facility has been approved pursuant to section 1910, and the term of any such agreement shall be in accordance with the period of approval of eligibility specified by the Secretary pursuant to such section.”

(e) The provisions of this section shall be effective with respect to agreements filed with the Secretary under section 1866 of the Social Security Act by skilled nursing facilities (as defined in section 1861(j) of such Act) before, on, or after the date of enactment of this Act, but accepted by him on or after such date.

(f) Notwithstanding any other provision of law, any agreement, filed by a skilled nursing facility (as defined in section 1861(j) of the Social Security Act) with the Secretary under section 1866 of such Act and accepted by him prior to the date of enactment of this Act, which was in effect on such date shall be deemed to be for a specified term ending on December 31, 1973.

And the Senate agree to the same.

Amendment numbered 472:

That the House recede from its disagreement to the amendment of the Senate numbered 472, and agree to the same with an amendment as follows:

On page 104, line 17, of the Senate engrossed amendments, strike out “effective January 1, 1972” and insert the following: *effective for the period beginning October 1, 1972, and ending June 30, 1974*; and the Senate agree to the same.

Amendment numbered 474:

That the House recede from its disagreement to the amendment of the Senate numbered 474, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

LIMITATION ON INSTITUTIONAL CARE

SEC. 249D. Section 121(b) of the Social Security Amendments of 1965 is amended by adding at the end thereof the following new sentence: “After the date of enactment of the Social Security Amendments of 1972, Federal matching shall not be available for any portion of any payment by any State under title I, X, XIV, or XVI, or part A of title IV, of the Social Security Act for or on account of any medical or any other type of remedial care provided by an institution to any individual as an inpatient thereof, in the case of any State which has a plan approved under title XIX of such Act, if such care is (or

could be) provided under a State plan approved under title XIX of such Act by an institution certified under such title XIX.”.

And the Senate agree to the same.

Amendment numbered 475:

That the House recede from its disagreement to the amendment of the Senate numbered 475, and agree to the same with an amendment as follows:

On page 188, line 6, of the Senate engrossed amendments, after “thereafter” insert the following: *prior to October 1974*; and the Senate agree to the same.

Amendment numbered 476:

That the House recede from its disagreement to the amendment of the Senate numbered 476, and agree to the same with amendments as follows:

On page 192, line 8, of the Senate engrossed amendments, strike out “unless” and insert the following: *prior to January 1, 1976, nor after such date, unless*

On page 194, between lines 7 and 8, of the Senate engrossed amendments, insert the following:

“(f) (1) *In the case of agreements entered into prior to January 1, 1976, under this part under which any organization is designated as the Professional Standards Review Organization for any area, the Secretary shall, prior to entering into any such agreement with any organization for any area, inform (under regulations of the Secretary) the doctors of medicine or osteopathy who are in active practice in such area of the Secretary's intention to enter into such an agreement with such organization.*

“(2) *If, within a reasonable period of time following the serving of such notice, more than 10 per centum of such doctors object to the Secretary's entering into such an agreement with such organization on the ground that such organization is not representative of doctors in such area, the Secretary shall conduct a poll of such doctors to determine whether or not such organization is representative of such doctors in such area. If more than 50 per centum of the doctors responding to such poll indicate that such organization is not representative of such doctors in such area the Secretary shall not enter into such an agreement with such organization.*

On page 196, line 12, of the Senate engrossed amendments, after the word “shall” insert the following: *(subject to the provisions of subsection (g))*

On page 203, between lines 9 and 10, of the Senate engrossed amendments, insert the following:

“(g) *Notwithstanding any other provision of this part, the responsibility for review of health care services of any Professional Standards Review Organization shall be the review of health care services provided by or in institutions, unless such Organization shall have made a request to the Secretary that it be charged with the duty and function of reviewing other health care services and the Secretary shall have approved such request.*

And the Senate agree to the same.

Amendment numbered 495:

That the House recede from its disagreement to the amendment of the Senate numbered 495, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *July 1, 1973*; and the Senate agree to the same.

Amendment numbered 505:

That the House recede from its disagreement to the amendment of the Senate numbered 505, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following: *or part A pursuant to section 1818*; and the Senate agree to the same.

Amendment numbered 513:

That the House recede from its disagreement to the amendment of the Senate numbered 513, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out by the Senate amendment; and on page 278, line 7, of the House engrossed bill, strike out "(as amended by section 544(11) of this Act)".

And the Senate agree to the same.

Amendment numbered 514:

That the House recede from its disagreement to the amendment of the Senate numbered 514, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following: *(31), and (33), ;* and the Senate agree to the same.

Amendment numbered 522:

That the House recede from its disagreement to the amendment of the Senate numbered 522, and agree to the same with an amendment as follows:

On page 234, line 21, of the Senate engrossed amendments, after "spine" insert the following: *(to correct a subluxation demonstrated by X-ray to exist)*; and the Senate agree to the same.

Amendment numbered 526:

That the House recede from its disagreement to the amendment of the Senate numbered 526, and agree to the same with amendments as follows:

On page 237, lines 6 and 7, of the Senate engrossed amendments, strike out "the terms 'extended care facility' and 'skilled nursing home'" and insert the following: *the terms 'extended care facility', 'extended care facilities', 'skilled nursing home', and 'skilled nursing homes'*

On page 237, line 9, of the Senate engrossed amendments, strike out "facility," and insert the following: *facility' or 'skilled nursing facilities', as the case may be,*

On page 238, line 10, of the Senate engrossed amendments, strike out "and".

On page 238, line 11, of the Senate engrossed amendments, strike out the period and insert the following: ; and

On page 238 of the Senate engrossed amendments, after line 11, insert the following:

(24) *section 1121.*

On page 238, lines 14 and 15, of the Senate engrossed amendments, strike out "the terms 'extended care facility' and 'skilled nursing home'" and insert the following: *the terms 'extended care facility', 'extended care facilities', 'skilled nursing home', and 'skilled nursing homes'*

On page 238, line 17, of the Senate engrossed amendments, strike out "ity," and insert the following: *ity' or 'skilled nursing facilities', as the case may be,*

On page 238, line 18, of the Senate engrossed amendments, after "1903 (g)" insert the following: *and (h)*

On page 239, line 22, of the Senate engrossed amendments, strike out "and".

On page 239, line 24, of the Senate engrossed amendments, strike out the period and insert the following: ; and

On page 239 of the Senate engrossed amendments, after line 24, add the following:

(16) *section 1903(j) of such Act as added by section 225 of this Act;*

(17) *section 1814(h) of such Act as added by section 228(a) of this Act; and*

(18) *section 1866(a) (1) of such Act as amended by section 249A of this Act.*

And the Senate agree to the same.

Amendment numbered 531:

That the House recede from its disagreement to the amendment of the Senate numbered 531 and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

COVERAGE OF OUTPATIENT SPEECH PATHOLOGY SERVICES UNDER MEDICARE

SEC. 283. (a) Section 1861(p) of the Social Security Act is amended by adding at the end thereof the following new sentence: "The term 'outpatient physical therapy services' also includes speech pathology services furnished by a provider of services, a clinic, rehabilitation agency (including a single service rehabilitation facility), or by a public health agency, or by others under an arrangement with, and under the supervision of, such provider, clinic, rehabilitation agency, or public health agency to an individual as an outpatient, subject to the conditions prescribed in this subsection; except that the terms 'speech pathology' and 'speech pathologists' shall be substituted for the terms 'physical therapy' and 'physical therapists' as used therein, and for the purposes of this sentence the term 'single service rehabilitation facility' means a facility in which only speech pathology shall be required to be provided.'"

(b) The provisions of this section shall apply with respect to services rendered after December 31, 1972.

And the Senate agree to the same.

Amendment numbered 542:

That the House recede from its disagreement to the amendment of the Senate numbered 542, and agree to the same with an amendment as follows:

On page 265, line 21, of the Senate engrossed amendments, strike out "REHABILITATIVE" and insert the following: *REHABILITATION*; and the Senate agree to the same.

Amendment numbered 545:

That the House recede from its disagreement to the amendment of the Senate numbered 545, and agree to the same with an amendment as follows:

On page 267, line 14, of the Senate engrossed amendments, strike out "1971" and insert the following: *1972*; and the Senate agree to the same.

Amendment numbered 548:

That the House recede from its disagreement to the amendment of the Senate numbered 548, and agree to the same with amendments as follows:

On page 268, line 20, of the Senate engrossed amendments, strike out "AND COSTS OF".

On page 268, line 23, of the Senate engrossed amendments, strike out "249D".

On page 269, line 2, of the Senate engrossed amendments, strike out "(34)" and insert the following: *(33)*

On page 269, line 4, of the Senate engrossed amendments, strike out "(35)" and insert the following: *(34)*

On page 269, line 5, of the Senate engrossed amendments, strike out "(35)" and insert the following: *(34)*

On page 269, line 6, of the Senate engrossed amendments, strike out "paragraphs" and insert the following: *paragraph*

On page 269, line 7, of the Senate engrossed amendments, strike out "(36)" and insert the following: *(35)*

On page 269 of the Senate engrossed amendments, strike out line 19 and all that follows down through page 270, line 11, and insert the following: *supplied.*

And the Senate agree to the same.

Amendment numbered 549:

That the House recede from its disagreement to the amendment of the Senate numbered 549, and agree to the same with amendments as follows:

On page 271 of the Senate engrossed amendments, strike out lines 13 through 16, and insert the following:

"(B) inpatient services which, in the case of any individual, involves active treatment (i) which meets such standards as may be prescribed pursuant to title XVIII in regulations by the Secretary, and (ii) which a team, consisting of physicians and other personnel qualified to make determinations with respect to mental health conditions and the treatment thereof, has determined are necessary on an inpatient basis and can reasonably be expected to improve the condition, by reason of which such services

are necessary, to the extent that eventually such services will no longer be necessary; and

Beginning on page 272, line 17, of the Senate engrossed amendments, strike out all through page 273, line 2, of such engrossed amendments; and the Senate agree to the same.

Amendment numbered 550:

That the House recede from its disagreement to the amendment of the Senate numbered 550, and agree to the same with an amendment as follows:

On page 273, line 22, of the Senate engrossed amendments, strike out "249D,"; and the Senate agree to the same.

Amendment numbered 551:

That the House recede from its disagreement to the amendment of the Senate numbered 551, and agree to the same with amendments as follows:

On page 275, line 9, of the Senate engrossed amendments, strike out "100" and insert the following: *90*

On page 276, lines 6 and 7, of the Senate engrossed amendments, strike out "(but only if title IV of such Act does not already so provide)".

On page 276, line 16, of the Senate engrossed amendments, strike out "100" and insert the following: *90*

On page 276, line 22, of the Senate engrossed amendments, strike out "2 per centum" and insert the following: *1 per centum*

And the Senate agree to the same.

Amendment numbered 552:

That the House recede from its disagreement to the amendment of the Senate numbered 552, and agree to the same with amendments as follows:

On page 277, lines 17 and 18, of the Senate engrossed amendments, strike out "(but only if title IV of such Act does not already so provide)".

On page 277, line 22, of the Senate engrossed amendments, strike out "2 per centum" and insert the following: *1 per centum*

And the Senate agree to the same.

Amendment Numbered 555:

That the House recede from its disagreement to the amendment of the Senate numbered 555, and agree to the same with amendments, as follows:

On page 293 of the Senate engrossed amendments, strike out lines 18 and 19 and insert the following:

SEC. 299I. Effective with respect to services provided on and after July 1, 1973, section 226 of the Social Security Act (as amended by section 201(b)(5) of this Act) is amended by redesignating subsection (e) as subsection (f), and by inserting after subsection (d) the following new subsection:

On page 293, line 20, of the Senate engrossed amendments, strike out "the" and insert the following: *this*

On page 294, lines 11 and 12, of the Senate engrossed amendments, strike out “deductible premium and copayment provision” and insert the following: *deductible, premium, and copayment provisions*

On page 294, lines 14 and 15, of the Senate engrossed amendments, strike out “would begin with the sixth month after the month of onset of chronic kidney failure” and insert the following: *shall begin with the third month after the month in which a course of renal dialysis is initiated*

On page 294, line 17, of the Senate engrossed amendments, strike out “transplant.” and insert the following: *transplant or such course of dialysis is terminated.*

On page 294, line 23, of the Senate engrossed amendments, strike out “procedure” and insert the following: *procedures*

And the Senate agree to the same.

Amendment numbered 558:

That the House recede from its disagreement to the amendment of the Senate numbered 558, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

CERTIFICATION OF INTERMEDIATE CARE FACILITIES AND SKILLED NURSING FACILITIES LOCATED ON AN INDIAN RESERVATION

SEC. 299L. (a) Section 1905(c) of the Social Security Act, as added by Public Law 92-223, is amended by adding after the penultimate sentence thereof the following: “The term ‘intermediate care facility’ also includes any institution which is located in a State on an Indian reservation and is certified by the Secretary as meeting the requirements of clauses (2) and (3) of this subsection and providing the care and services required under clause (1).”.

(b) Section 1905 of the Social Security Act, as amended by this Act, is amended by adding at the end thereof the following new subsection:

“(h) For purposes of this title, the term ‘skilled nursing facility’ also includes any institution which is located in a State on an Indian reservation and is certified by the Secretary as being a qualified skilled nursing facility by meeting the requirements of section 1861(j).”

And the Senate agree to the same.

Amendment numbered 564:

That the House recede from its disagreement to the amendment of the Senate numbered 564, and agree to the same with amendments as follows:

On page 306, line 20, of the Senate engrossed amendments strike out “\$2,500,” and insert the following: *(i) in case such individual has a spouse with whom he is living, \$2,250, or (ii) in case such individual has no spouse with whom he is living, \$1,500,*

On page 307, line 6, of the Senate engrossed amendments, strike out “\$2,500,” and insert the following: *\$2,250,*

On page 314, line 5, of the Senate engrossed amendments, strike out “\$600” and insert the following: *\$240*

On page 314, line 24, of the Senate engrossed amendments, strike out “\$1,020” and insert the following: *\$780*

On page 315, line 14, of the Senate engrossed amendments, strike out "\$1,020" and insert the following: \$780

On page 315, line 24, of the Senate engrossed amendments, strike out "\$1,020" and insert the following: \$780

On page 312, lines 20 and 21, of the Senate engrossed amendments, strike out "without reasonable payments therefor,".

On page 319, lines 18 and 19, of the Senate engrossed amendments, strike out "18 years of age or older and".

On page 319, line 23, of the Senate engrossed amendments, immediately before the period insert the following: (*or, in the case of a child under the age of 18, if he suffers from any medically determinable physical or mental impairment of comparable severity*).

On page 323, lines 7 and 8, of the Senate engrossed amendments, strike out "twenty-one" and insert the following: *twenty-two*

On page 333, line 17, of the Senate engrossed amendments, strike out "to the maximum extent feasible".

On page 311, after line 23, of the Senate engrossed amendments, insert the following:

"Certain Individuals Deemed to Meet Income Test

"(h) In determining eligibility for, and the amount of, benefits payable under this section in the case of any individual or any individual and his spouse (as the case may be) who is blind (as that term is defined under a State plan approved under title X or XVI as in effect in October 1972) and who for the month of December 1973 was a recipient of aid or assistance under a State plan approved under title X or XVI, there shall be disregarded an amount equal to the greater of the amounts determined as follows—

"(1) the maximum amount of any earned or unearned income which could have been disregarded under the State plan (above referred to, and as in effect in October 1972), or

"(2) the amount which would be required to be disregarded under section 1612 without application of this subsection.

On page 310 of the Senate engrossed amendments, strike out lines 1 through 12, and insert the following:

"(3) (A) No person who is an aged, blind, or disabled individual solely by reason of disability (as determined under section 1614(a)(3)) shall be an eligible individual or eligible spouse for purposes of this title with respect to any month if such individual is medically determined to be a drug addict or an alcoholic unless such individual is undergoing any treatment that may be appropriate for his condition as a drug addict or alcoholic (as the case may be) at an institution or facility approved for purposes of this paragraph by the Secretary (so long as such treatment is available) and demonstrates that he is complying with the terms, conditions, and requirements of such treatment and with requirements imposed by the Secretary under subparagraph (B).

"(B) The Secretary shall provide for the monitoring and testing of all individuals who are receiving benefits under this title and who as a condition of such benefits are required to be undergoing treatment and complying with the terms, conditions, and requirements thereof as described in subparagraph (A), in order to assure such compliance and to determine the extent to which the imposition of such require-

ment is contributing to the achievement of the purposes of this title. The Secretary shall annually submit to the Congress a full and complete report on his activities under this paragraph.

On page 327, line 7, of the Senate engrossed amendments, after "(c)" insert the following: (1).

On page 327, after line 14, of the Senate engrossed amendments, insert the following:

(2) *Any State (or political subdivision), in determining the eligibility of any individual for supplementary payments described in subsection (a), may disregard amounts of earned and unearned income in addition to other amounts which it is required or permitted to disregard under this section in determining such eligibility, and shall include a provision specifying the amount of any such income that will be disregarded, if any.*

On page 328, line 15, of the Senate engrossed amendments, after the period insert the following: *Notwithstanding the provisions of the preceding sentence, in the case of any individual or eligible spouse referred to in section 1611(e) (3) (A), the Secretary shall provide for making payments of the benefit to any other person (including an appropriate public or private agency) who is interested in or concerned with the welfare of such individual (or spouse).*

On page 351, line 19, of the Senate engrossed amendments, strike out "Effective January 1, 1974, section" and insert the following: *Section.*

On page 353, after line 16, of the Senate engrossed amendments insert the following:

(c) *The provisions of this section shall become effective on the date of enactment of this Act.*

And the Senate agree to the same.

Amendment numbered 565:

That the House recede from its disagreement with the Senate numbered 565, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

DISREGARDING OF INCOME OF OASDI RECIPIENTS IN DETERMINING NEED FOR PUBLIC ASSISTANCE

SEC. 306. In addition to the requirements imposed by law as a condition of approval of a State plan to provide aid or assistance in the form of money payments to individuals under title I, X, XIV, or XVI of the Social Security Act, there is hereby imposed the requirement (and the plan shall be deemed to require) that, in the case of any individual receiving aid or assistance for any month after October 1972, or, at the option of the State, September 1972, and before January 1974 who also receives in such month a monthly insurance benefit under title II of such Act which was increased as a result of the enactment of Public Law 92-336, the sum of the aid or assistance received by him for such month, plus the monthly insurance benefit received by him in such month (not including any part of such benefit which is disregarded under such plan), shall exceed the sum of the aid or assistance which would have been received by him for such month under such plan as in

effect for October 1972, plus the monthly insurance benefit which would have been received by him in such month, by an amount equal to \$4 or (if less) to such increase in his monthly insurance benefit under such title II (whether such excess is brought about by disregarding a portion of such monthly insurance benefit or otherwise).

And the Senate agree to the same.

Amendment numbered 567:

That the House recede from its disagreement to the amendment of the Senate numbered 567, with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

TITLE IV—MISCELLANEOUS

LIMITATION ON FISCAL LIABILITY OF STATES FOR OPTIONAL STATE SUPPLEMENTATION

SEC. 401. (a) (1) The amount payable to the Secretary by a State for any fiscal year pursuant to its agreement or agreements under section 1616 of the Social Security Act shall not exceed the non-Federal share of expenditures as aid or assistance for quarters in the calendar year 1972 under the plans of the State approved under titles I, X, XIV, and XVI of the Social Security Act (as defined in subsection (c) of this section).

(2) Paragraph (1) of this subsection shall only apply with respect to that portion of the supplementary payments made by the Secretary on behalf of the State under such agreements in any fiscal year which does not exceed in the case of any individual the difference between—

(A) the adjusted payment level under the appropriate approved plan of such State as in effect for January 1972 (as defined in subsection (b) of this section), and

(B) the benefits under title XVI of the Social Security Act, plus income not excluded under section 1612(b) of such Act in determining such benefits, paid to such individual in such fiscal year,

and shall not apply with respect to supplementary payments to any individual who (i) is not required by section 1616 of such Act to be included in any such agreement administered by the Secretary and (ii) would have been ineligible (for reasons other than income) for payments under the appropriate approved State plan as in effect for January 1972.

(b) (1) For purposes of subsection (a), the term "adjusted payment level under the appropriate approved plan of a State as in effect for January 1972" means the amount of the money payment which an individual with no other income would have received under the plan of such State approved under title I, X, XIV, or XVI of the Social Security Act, as may be appropriate, and in effect for January

1972; except that the State may, at its option, increase such payment level with respect to any such plan by an amount which does not exceed the sum of—

(A) a payment level modification (as defined in paragraph (2) of this subsection) with respect to such plan, and

(B) the bonus value of food stamps in such State for January 1972 (as defined in paragraph (3) of this subsection).

(2) For purposes of paragraph (1), the term “payment level modification” with respect to any State plan means that amount by which a State which for January 1972 made money payments under such plan to individuals with no other income which were less than 100 per centum of its standard of need could have increased such money payments without increasing (if it reduced its standard of need under such plan so that such increased money payments equaled 100 per centum of such standard of need) the non-Federal share of expenditures as aid or assistance for quarters in calendar year 1972 under the plans of such State approved under titles I, X, XIV, and XVI of the Social Security Act.

(3) For purposes of paragraph (1), the term “bonus value of food stamps in a State for January 1972” (with respect to an individual) means—

(A) the face value of the coupon allotment which would have been provided to such an individual under the Food stamp Act of 1964 for January 1972, reduced by

(B) the charge which such an individual would have paid for such coupon allotment,

if the income of such individual, for purposes of determining the charge it would have paid for its coupon allotment, had been equal to the adjusted payment level under the State plan (including any payment level modification with respect to the plan adopted pursuant to paragraph (2) (but not including any amount under this paragraph)). The total face value of food stamps and the cost thereof in January 1972 shall be determined in accordance with rules prescribed by the Secretary of Agriculture in effect in such month.

(c) For purposes of this section, the term “non-Federal share of expenditures as aid or assistance for quarters in the calendar year 1972 under the plans of a State approved under titles I, X, XIV, and XVI of the Social Security Act” means the difference between—

(1) the total expenditures in such quarters under such plans for aid or assistance (expenditures authorized under section 1119 of such Act for repairing the home of an individual who was receiving aid or assistance under one of such plans (as such section was in effect prior to the enactment of this Act)), and

(2) the total of the amounts determined under sections 3, 1003, 1403, and 1603 of the Social Security Act, under section 1118 of such Act, and under section 9 of the Act of April 19, 1950, for such State with respect to such expenditures in such quarters.

Transitional Administrative Provisions

SEC. 402. In order for a State to be eligible for any payments pursuant to title IV, V, XVI, or XIX of the Social Security Act with re-

spect to expenditures for any quarter in the fiscal year ending June 30, 1975, and for the purpose of providing an orderly transition from State to Federal administration of the Supplemental Security Income Program, such State shall enter into an agreement with the Secretary of Health, Education, and Welfare under which the State agencies responsible for administering or for supervising the administration of the plans approved under titles I, X, XIV, and XVI of the Social Security Act will, on behalf of the Secretary, administer all or such part or parts of the program established by section 301 of this Act, during such portion of the fiscal year ending June 30, 1975, as may be provided in such agreement.

SAVINGS PROVISION REGARDING CERTAIN EXPENDITURES FOR SOCIAL SERVICES

SEC. 403. *In the administration of section 1130 of the Social Security Act, the allotment of each State (as determined under subsection (b) of such section) for the fiscal year ending June 30, 1973, shall (notwithstanding any provision of such section 1130) be adjusted so that the amount of such allotment for such year consists of the sum of the following:*

(1) *the amount of the total expenditures, not to exceed \$50,000,000, incurred by the State for services (of the type, and under the programs to which the allotment, as determined under such subsection (b), is applicable) for the calendar quarter commencing July 1, 1972, plus*

(2) *an amount equal to three-fourths of the amount the allotment of such State (as determined under subsection (b), but without application of the provisions of this section): Provided, however, That no State shall receive less under this section than the amount to which it would have been entitled otherwise under section 1130 of the Social Security Act.*

CHANGE IN EXECUTIVE SCHEDULE—COMMISSIONER OF SOCIAL SECURITY

SEC. 404. (a) *Section 5316 of title 5, United States Code (relating to positions at level V of the Executive Schedule), is amended by striking out:*

“(51) Commissioner of Social Security, Department of Health, Education, and Welfare.”.

(b) *Section 5315 of title 5, United States Code (relating to positions at level IV of the Executive Schedule), is amended by adding at the end thereof the following:*

“(97) Commissioner of Social Security, Department of Health, Education, and Welfare.”.

(c) *The amendments made by the preceding provisions of this section shall take effect on the first day of the first pay period of the Commissioner of Social Security, Department of Health, Education, and Welfare, which commences on or after the first day of the month which follows the month in which this Act is enacted.*

SEPARATION OF SOCIAL SERVICES NOT REQUIRED

SEC. 405. (a) Section 2(a)(10)(C) of the Social Security Act is amended by inserting "(using whatever internal organizational arrangement it finds appropriate for this purpose)" immediately after "provide a description of the services (if any) which the State agency makes available".

(b) Section 1002(a)(13) of such Act is amended by inserting "(using whatever internal organizational arrangement it finds appropriate for this purpose)" immediately after "provide a description of the services (if any) which the State agency makes available".

(c) Section 1402(a)(12) of such Act is amended by inserting "(using whatever internal organizational arrangement it finds appropriate for this purpose)" immediately after "provide a description of the services (if any) which the State agency makes available".

(d) Section 1602(a)(10) of such Act is amended by inserting "(using whatever internal organizational arrangement it finds appropriate for this purpose)" immediately after "provide a description of the services (if any) which the State agency makes available".

MANUALS AND POLICY ISSUANCES NOT REQUIRED WITHOUT CHARGE

SEC. 406. (a) Section 2(b) of the Social Security Act is amended by adding at the end thereof the following new sentence: "At the option of the State, the plan may provide that manuals and other policy issuances will be furnished to persons without charge for the reasonable cost of such materials, but such provision shall not be required by the Secretary as a condition for the approval of such plan under this title."

(b) Section 1002(b) of such Act is amended by adding immediately after the first sentence thereof the following new sentence: "At the option of the State, the plan may provide that manuals and other policy issuances will be furnished to persons without charge for the reasonable cost of such materials, but such provision shall not be required by the Secretary as a condition for the approval of such plan under this title."

(c) Section 1402(b) of such Act is amended by adding at the end thereof the following new sentence: "At the option of the State, the plan may provide that manuals and other policy issuances will be furnished to persons without charge for the reasonable cost of such materials, but such provision shall not be required by the Secretary as a condition for the approval of such plan under this title."

(d) Section 1602(b) of such Act is amended by adding immediately after the first sentence thereof the following new sentence: "At the option of the State, the plan may provide that manuals and other policy issuances will be furnished to persons without charge for the reasonable cost of such materials, but such provision shall not be required by the Secretary as a condition for the approval of such plan under this title."

EFFECTIVE DATE OF FAIR HEARING DECISION

SEC. 407. (a) Section 2(a)(4) is amended by—

(1) deleting "provide" and inserting in lieu thereof "provide (A)", and

(2) inserting immediately before the semicolon at the end thereof the following: “, and (B) that if the State plan is administered in each of the political subdivisions of the State by a local agency and such local agency provides a hearing at which evidence may be presented prior to a hearing before the State agency, such local agency may put into effect immediately upon issuance its decision upon the matter considered at such hearing”.

(b) Section 1002(a) (4) is amended by—

(1) deleting “provide” and inserting in lieu thereof “provide (A)”, and

(2) inserting immediately before the semicolon at the end thereof the following: “, and (B) that if the State plan is administered in each of the political subdivisions of the State by a local agency and such local agency provides a hearing at which evidence may be presented prior to a hearing before the State agency, such local agency may put into effect immediately upon issuance its decision upon the matter considered at such hearing”.

(c) Section 1402(a) (4) is amended by—

(1) deleting “provide” and inserting in lieu thereof “provide (A)”, and

(2) inserting immediately before the semicolon at the end thereof the following: “, and (B) that if the State plan is administered in each of the political subdivisions of the State by a local agency and such local agency provides a hearing at which evidence may be presented prior to a hearing before the State agency, such local agency may put into effect immediately upon issuance its decision upon the matter considered at such hearing”.

(d) Section 1602(a) (4) is amended by—

(1) deleting “provide” and inserting in lieu thereof “provide (A)”, and

(2) inserting immediately before the semicolon at the end thereof the following: “, and (B) that if the State plan is administered in each of the political subdivisions of the State by a local agency and such local agency provides a hearing at which evidence may be presented prior to a hearing before the State agency, such local agency may put into effect immediately upon issuance its decision upon the matter considered at such hearing”.

ABSENCE FROM STATE FOR MORE THAN 90 DAYS

Sec. 408. (a) Section 6(a) of the Social Security Act is amended by adding at the end thereof the following new sentence: “At the option of a State (if its plan approved under this title so provides), such term need not include money payments to an individual who has been absent from such State for a period in excess of 90 consecutive days (regardless of whether he has maintained his residence in such State during such period) until he has been present in such State for 30 consecutive days in the case of such an individual who has maintained his residence in such State during such period or 90 consecutive days in the case of any other such individual.”

(b) Section 1006 of such Act is amended by adding at the end thereof the following new sentence: “At the option of a State (if its plan approved under this title so provides), such term need not include

money payments to an individual who has been absent from such State for a period in excess of 90 consecutive days (regardless of whether he has maintained his residence in such State during such period) until he has been present in such State for 30 consecutive days in the case of such an individual who has maintained his residence in such State during such period or 90 consecutive days in the case of any other such individual."

(c) Section 1405 of such Act is amended by adding at the end thereof the following new sentence: "At the option of a State (if its plan approved under this title so provides), such term need not include money payments to an individual who has been absent from such State for a period in excess of ninety consecutive days (regardless of whether he has maintained his residence in such State during such period) until he has been present in such State for thirty consecutive days in the case of such an individual who has maintained his residence in such State during such period or ninety consecutive days in the case of any other such individual."

(d) Section 1605(a) of such Act is amended by adding at the end thereof the following new sentence: "At the option of a State (if its plan approved under this title so provides), such term need not include money payments to an individual who has been absent from such State for a period in excess of ninety consecutive days (regardless of whether he has maintained his residence in such State during such period) until he has been present in such State for thirty consecutive days in the case of such an individual who has maintained his residence in such State during such period or ninety consecutive days in the case of any other such individual."

RENT PAYMENTS TO PUBLIC HOUSING AGENCY

SEC. 409. (a) Section 6(a) of the Social Security Act (as amended by section 554(a) of this Act) is further amended by—

(1) striking out "such term" in the last sentence thereof and inserting in lieu thereof "such term (i)", and

(2) adding immediately before the period at the end of such sentence the following: ", and (ii) may include rent payments made directly to a public housing agency on behalf of a recipient or a group or groups of recipients of assistance under such plan".

(b) Section 1006 of such Act (as amended by section 554(b) of this Act) is further amended by—

(1) striking out "such term" in the last sentence thereof and inserting in lieu thereof "such term (i)", and

(2) adding immediately before the period at the end of such sentence the following: ", and (ii) may include rent payments made directly to a public housing agency on behalf of a recipient or a group or groups of recipients of aid under such plan".

(c) Section 1405 of such Act (as amended by section 554(c) of this Act) is further amended by—

(1) striking out "such term" in the last sentence thereof and inserting in lieu thereof "such term (i)", and

(2) adding immediately before the period at the end of such sentence the following: ", and (ii) may include rent payments made directly to a public housing agency on behalf of a recipient or a group or groups of recipients of aid under such plan".

(d) Section 1605(a) of such Act (as amended by section 554(d) of this Act) is further amended by—

(1) striking out “such term” in the last sentence thereof and inserting in lieu thereof “such term (i)”, and

(2) adding immediately before the period at the end of such sentence the following: “, and (ii) may include rent payments made directly to a public housing agency on behalf of a recipient or a group or groups of recipients of aid under such plan”.

STATEWIDENESS NOT REQUIRED FOR SERVICES

SEC. 410. (a) Section 2(a) of the Social Security Act is amended by inserting “except to the extent permitted by the Secretary with respect to services,” before “provide” at the beginning of paragraph (1).

(b) Section 1002(a) of such Act is amended by inserting “except to the extent permitted by the Secretary with respect to services,” before “provide” at the beginning of clause (1).

(c) Section 1402(a) of such Act is amended by inserting “except to the extent permitted by the Secretary with respect to services,” before “provide” at the beginning of clause (1).

(d) Section 1602(a) of such Act is amended by inserting “except to the extent permitted by the Secretary with respect to services,” before “provide” at the beginning of paragraph (1).

PROHIBITION AGAINST PARTICIPATION IN FOOD STAMP OR SURPLUS COMMODITIES PROGRAM BY PERSONS ELIGIBLE TO PARTICIPATE IN EMPLOYMENT OR ASSISTANCE PROGRAMS

SEC. 411. (a) Effective January 1, 1974, section 3(e) of the Food Stamp Act of 1964 is amended by adding at the end thereof the following new sentence: “No person who is eligible (or upon application would be eligible) to receive supplemental security income benefits under title XVI of such Act shall be considered to be a member of a household or an elderly person for purposes of this Act.”

(b) Section 3(h) of such Act is amended to read as follows:

“(h) The term ‘State agency’, with respect to any State, means the agency of State government which is designated by the Secretary for purposes of carrying out this Act in such State.”

(c) Section 10(c) of such Act is amended by striking out the first sentence.

(d) Clause (2) of the second sentence of section 10(e) of such Act is amended by striking out “used by them in the certification of applicants for benefits under the federally aided public assistance programs” and inserting in lieu thereof the following: “prescribed by the Secretary in the regulations issued pursuant to this Act”.

(e) Section 10(e) of such Act is further amended by striking out the third sentence.

(f) Section 14 of such Act is amended by striking out subsection (e).

(g) Effective January 1, 1974, section 416 of the Act of October 31, 1949, is amended by adding at the end thereof the following new sentence: “No person who is eligible (or upon application would be eligible) to receive supplemental security income under title XVI of such Act shall be eligible to participate in any program conducted under this section (other than nonprofit child feeding programs or programs

under which commodities are distributed on an emergency or temporary basis and eligibility for participation therein is not based upon the income or resources of the individual or family)."

(h) *Except as otherwise provided in this section, the amendments made by this section shall take effect on January 1, 1973.*

And the Senate agree to the same.

Amendment numbered 568:

That the House recede from its disagreement to the amendment of the Senate numbered 568, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken by the Senate amendment, and omit the matter proposed to be inserted by the Senate amendment; and the Senate agree to the same.

Amendment to title:

That the House recede from its disagreement to the amendment of the Senate to the title of the bill.

W. D. MILLS,
AL ULLMAN,
JAMES A. BURKE,
MARTHA W. GRIFFITHS,
JOHN W. BYRNES,
JACKSON E. BETTS,
H. T. SCHNEEBELI,

Managers on the Part of the House.

RUSSELL B. LONG,
CLINTON P. ANDERSON,
HERMAN TALMADGE,
WALLACE F. BENNETT,
CARL CURTIS,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1) to amend the Social Security Act to increase benefits and improve eligibility and computation methods under the OASDI program, to make improvements in the medicare, medicaid, and maternal and child health programs with emphasis on improvements in their operating effectiveness, to replace the existing Federal-State public assistance programs with a Federal program of adult assistance and a Federal program of benefits to low-income families with children with incentives and requirements for employment and training to improve the capacity for employment of members of such families, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

BENEFIT INCREASES; AUTOMATIC ADJUSTMENTS

Amendment No. 3: The House bill contained provisions for a 5-percent social security benefit increase effective June 1972 and provisions for automatic increases in benefits and the taxable wage base.

The Senate amendment deleted these provisions from the bill in view of the fact that Public Law 92-336 enacted a 20-percent social security benefit increase effective September 1972 and provisions substantially the same as the House bill relating to automatic increases in benefits and the taxable wage base.

The House recedes.

SPECIAL MINIMUM PIA

Amendment Nos. 4-22: The House bill provided a special minimum benefit equal to \$5 multiplied by a worker's number of years of covered employment up to 30 years, or \$150 a month, (\$225 for a couple).

The Senate amendments provided a special minimum benefit equal to \$10 multiplied by a worker's number of years of covered employment in excess of 10 years, up to a maximum of 30 years or \$200 a month (\$300 for a couple).

The House recedes with an amendment providing a special minimum benefit equal to \$8.50 multiplied by a worker's number of years at covered employment in excess of 10 years, up to a maximum of 30 years or \$170 a month (\$255 for a couple).

INCREASED WIDOWS' AND WIDOWERS' BENEFITS

Amendment Nos. 23-38: The House bill increased benefits for widows and widowers who have attained age 65 when they make application to 100 percent of the deceased spouse's benefit.

The Senate amendments added provisions to permit the Social Security Administration to simplify the method of computing these benefits in cases in which certain information is not available in computerized form.

The House recedes with technical amendments.

INCREASE IN EARNINGS BASE

Amendment No. 39: The House bill contained provisions to increase the limitation on earnings for benefit computations and tax purposes to \$10,200 per year beginning with 1972.

The Senate amendment deleted these provisions which were replaced by provisions in Public Law 92-336 increasing the limitation to \$10,800 for 1973 and \$12,000 for 1974.

The House recedes.

DELAYED RETIREMENT CREDIT

Amendment Nos. 40-49: The House bill provided a worker's old-age benefit would be increased by 1 percent for each year (1/12 of 1 percent for each month) in which a worker between ages 65 and 72 does not receive benefits under the retirement test because of his earnings. The House provision would take account of months after 1970 for which benefits were not paid because of earnings.

The Senate amendments would take account of months after 1939 for which benefits were not paid because of earnings.

The House recedes with an amendment which would make this provision applicable only to months of earnings after 1971.

PROVISIONS ELIMINATED FROM THE HOUSE BILL

Amendment No. 64: The House bill contained the following three sections:

1. *Additional Drop-Out Years*—Provided that one year of low earnings (in addition to the 5 years provided under present law) for each 15 years of covered work would be dropped in computing benefits. Applicable to persons who reach age 62 or die or become disabled after 1971.

2. *Actuarial Reduction Not Applicable to Subsequent Benefit*—Provided that when a person applied for a subsequent different benefit (e.g., a spouse's benefit), it would not be reduced because the person had earlier applied for a benefit (e.g., a worker's benefit) that was actuarially reduced.

3. *Combined Earnings for Working Couples*—Provided that a married couple each of whom were age 62 and had at least 20 years of covered earnings after marriage could have their earnings combined for each year up to the maximum taxable wage base as an alternative method of computing benefits.

The Senate amendment deleted these provisions from the House bill.

The House recedes.

LIBERALIZATION OF THE EARNINGS TEST

Amendment Nos. 65-72: The House bill increased the annual exempt amount under the earnings test from \$1,680 to \$2,000 per year with proportionate increases in the monthly measure of retirement and provided that social security benefits be reduced at the rate of \$1 of benefits for each \$2 of earnings over that amount.

The Senate amendments increased the annual exempt amount to \$3,000 with proportionate increases in the monthly measure of retirement and provided that social security benefits be reduced at the same rate as in the House bill.

The House recedes with an amendment increasing the annual exempt amount to \$2,100 with proportionate in the monthly measure and providing that the benefits be reduced as in the House bill.

CHILD'S BENEFITS BASED ON MORE THAN ONE WAGE RECORD

Amendment No. 95: The House bill contained provisions which permit a person who is entitled to a child's benefit on the wage records of more than one worker to obtain the child's benefit which is highest in amount.

The Senate amendment redrafted these provisions without substantively changing them to eliminate technical problems.

The House recedes.

CHILD'S BENEFITS ON GRANDPARENT'S EARNINGS

Amendment Nos. 100-101: The House bill provided for benefits to grandchildren not adopted by their grandparents if their parents have died and if other conditions are met (e.g., the child must have been living with the grandparent before reaching age 18 and before the grandparent qualified for benefits).

The Senate amendment broadened the provision to include a child whose parents are totally disabled.

The House recedes.

REDUCTION OF WAITING PERIOD FOR DISABILITY BENEFITS

Amendment Nos. 116-127: The House bill reduced the waiting period for disability benefits from 6 months to 5 months.

The Senate amendments reduced the waiting period to 4 months.

The Senate recedes.

DISABILITY BENEFITS FOR THE BLIND

Amendment No. 128: The House bill eliminated the special disability work requirement (20 out of 40 quarters) for blind persons.

The Senate amendment provided for paying disability insurance benefits for blind people who have at least 6 quarters of social security

coverage. The benefits would be paid regardless of the amount of an individual's earnings both before and after age 65 or his ability to work. The Senate amendment also excluded blind persons from the requirements of present law that disability benefits be suspended for any months during which a beneficiary refuses without good cause to accept vocational rehabilitation services.

The Senate recedes.

OPTIONAL DETERMINATION OF SELF-EMPLOYMENT EARNINGS

Amendment Nos. 139-148: The House bill provided that a person could use a new optional method of determining his self-employment earnings if his net earnings (farm and nonfarm) are \$1,600 or more.

The Senate amendments provided that a person could use the new optional method if his nonfarm net earnings are \$1,600 or more.

The House recedes.

PENALTIES FOR FURNISHING FALSE INFORMATION

Amendment Nos. 162-166: The House bill established criminal penalties for a person who furnishes false information in applying for a social security number with intent to deceive as to his true identity.

The Senate amendments added further provisions to establish criminal penalties for obtaining benefits under any Federal program to which a person is not entitled by willfully using a social security number obtained on the basis of false information or by representing a number to be that of a person to whom it was not issued.

The House recedes.

GUARANTEE OF NO DECREASE IN FAMILY BENEFITS

Amendment No. 167: The House bill contained provisions to guarantee that the benefits of a family would not be reduced by reason of a social security benefit increase.

The Senate amendment deleted these provisions which were included in Public Law 92-336.

The House recedes.

CHANGES IN TAX SCHEDULES

Amendments Nos. 177-207: The House bill contained changes in the social security tax schedule necessary to finance the social security system as modified by the House bill.

The Senate amendments changed these provisions to finance the social security system as modified by the Senate bill.

The House recedes with an amendment providing a new schedule of taxes to finance the system as modified by the Conference agreement.

ALLOCATION TO DISABILITY INSURANCE TRUST FUND

Amendment No. 208: The House bill contained provisions changing the allocation of social security revenues to the disability insurance trust fund at the rates necessary to finance disability benefits as modified by the House bill.

The Senate amendment changed the allocation rates to finance disability benefits as modified by Public Law 92-336 and the Senate bill.

The Conference report modifies the reallocation rates to finance the disability insurance program as modified by the conference agreement.

ISSUANCE OF SOCIAL SECURITY ACCOUNT NUMBERS

Amendment No. 209: The Senate amendment added to the House bill a new provision which provides instructions to the Secretary of Health, Education, and Welfare as to the method of issuing social security account numbers. Under the amendment, numbers in the future generally will be issued when a person enters the first grade; in the case of a non-citizen, at the time he enters this country if at that time he may legally work; if he may not legally work at the time he enters the country, the number would be issued when his employment status changes. In addition, numbers would be issued to people who do not have them when they apply for benefits under any Federal program.

The conference report retains the provisions of the Senate bill relating to non-citizens and to people who apply for Federal benefits but deletes the provision that social security account numbers be issued mandatorily when a person enters the first grade and substitutes a provision authorizing the Secretary to issue numbers to persons at such time. The managers urge and direct the Secretary to utilize this authority to the fullest practical extent and to report to the Congress by January 1, 1975, concerning the feasibility of establishing a system requiring the issuance of social security account numbers to persons entering first grade or earlier.

SISTERS AND BROTHERS INSURANCE BENEFITS

Amendment No. 210: The Senate amendment added to the House bill a provision to provide benefits to dependent sisters who have attained age 62 and to dependent sisters and brothers who were disabled before age 22.

The Senate recedes.

REFUND OF SOCIAL SECURITY TAXES TO MEMBERS OF CERTAIN RELIGIOUS GROUPS

Amendment No. 211: The Senate amendment added to the House bill a provision to provide members of certain religious sects that are conscientiously opposed to insurance a refund of their social security employee contributions.

The Senate recedes.

PAYMENTS BY EMPLOYER TO DISABLED FORMER EMPLOYEE

Amendment No. 212: The Senate amendment added to the House bill a new provision which would provide that payments made by an employer to a former disabled employee will not be counted for social security benefit or tax purposes if the payment is made after the calendar year in which the former employee became entitled to social security disability insurance benefits.

The House recedes.

LUMP-SUM DEATH PAYMENT TO COVER MEMORIAL SERVICES

Amendment No. 213: The Senate amendment added to the House bill a new provision which would apply retroactively to 1960 the provisions of Public Law 92-223. That law authorized the payment of the lump-sum death payment as reimbursement for expenses in connection with memorial services for people whose bodies are not available for burial provided that the death occurred after 1970.

The Senate recesses.

UNDERPAYMENTS

Amendment No. 214: The Senate amendment added to the House bill a new provision which provides that if there are no surviving children, spouses or parents and no legal representative of the estate, cash benefits due a deceased beneficiary could be paid to any other relative determined by regulation of the Secretary.

The Senate recesses.

DISREGARD OF INCOME FROM THE SALE OF CERTAIN ARTISTIC ITEMS FOR EARNINGS TEST PURPOSES

Amendment No. 215: The Senate amendment added to the House bill a new provision which would provide for the exclusion from income, for retirement test purposes, the proceeds from the sale of certain literary or artistic items which were created before age 65.

The Senate recesses.

TERMINATION OF REGISTRAR COVERAGE IN LOUISIANA

Amendment No. 216: The Senate amendment added to the House bill a new provision which would permit voter registrars in Louisiana, and their employees, to terminate their social security coverage without affecting the coverage of other State and local employees in the States as a group. The registrars and their employees would have to decide to terminate coverage by December 31, 1973, and the termination would be effective after December, 1975.

The House recesses.

COMPUTATION OF MINISTER'S INCOME OUTSIDE UNITED STATES

Amendment No. 217: The Senate amendment added to the House bill a new provision which would provide that all American clergymen serving foreign congregations outside the U.S. would compute their self-employment income for social security purposes without regard to the \$20,000 exclusion of income earned abroad.

The House recesses.

MODIFICATION OF STATE AGREEMENTS WITH RESPECT TO CERTAIN STUDENTS AND PART-TIME EMPLOYEES

Amendment No. 218: The Senate amendment added to the House bill a new provision which would permit the States to modify their social security coverage agreements for State and local employees so

as to remove from coverage services of students employed by the public school or college they are attending, and the services of part-time employees.

The House recedes.

BENEFITS FOR CERTAIN WORLD WAR II INTERNEES

Amendment No. 219: The Senate amendment added to the House bill a new provision which would provide non-contributory social security credits for U.S. citizens of Japanese ancestry who were interned by the U.S. Government during World War II. In order to qualify for the wage credits an individual must have been age 18 or older at the time he was interned and the credits will be determined on the basis of the then prevailing minimum wage or the individual's prior earnings, whichever is larger.

The House recedes with a technical amendment.

MODIFICATION OF AGREEMENT WITH WEST VIRGINIA TO COVER CERTAIN POLICEMEN AND FIREMEN

Amendment No. 220: The Senate amendment added to the House bill a new provision which would permit the State of West Virginia to modify its social security coverage agreement to provide retroactive and prospective coverage for certain policemen and firemen who erroneously thought they were covered under social security and have paid social security taxes.

The House recedes.

TERMINATION OF COVERAGE FOR POLICEMEN OR FIREMEN

Amendment No. 221: The Senate amendment added to the House bill a new provision which would permit the States to modify their social security coverage agreements so as to terminate the coverage of policemen and firemen without affecting the coverage of other members of the same coverage group. In addition, it would permit the modification of coverage agreements which were terminated to exclude policemen and firemen so as to reinstate the coverage of other employees.

The Senate recedes.

20-PERCENT INCREASE PERFECTING AMENDMENTS

Amendment No. 222: The Senate amendment added to the House bill certain technical amendments relating to the 20-percent benefit increase enacted by Public Law 92-336.

The House recedes with a technical amendment.

REDUCTION IN AGE OF ELIGIBILITY FOR ACTUARIALLY REDUCED BENEFITS

Amendment No. 223: The Senate amendment added to the House bill a new provision which would permit the payment of actuarially reduced benefits for workers at age 60.

The Senate recedes.

AGE 55 COMPUTATION POINT FOR WIDOWS

Amendment No. 224: The Senate amendment added to the House bill a new provision which would permit the payment of actuarially reduced benefits to widows at age 55.

The Senate recedes.

STUDY OF EARNINGS TEST

Amendment No. 225: The Senate amendment added to the House bill a new provision which would require the Secretary of Health, Education, and Welfare to conduct a study to determine the feasibility of eliminating or extensively revising the Social Security earnings test.

The Senate recedes.

ELIMINATION OF DURATION-OF-RELATIONSHIP REQUIREMENTS

Amendment No. 226: The Senate amendment added to the House bill a new provision amending the provision of present law which reduces from 9 months to 3 months the duration-of-relationship requirement when death is accidental or in line of duty in the Armed Forces so that there would be no duration-of-relationship requirement in such cases if it is reasonable to expect that the deceased would have lived for at least 9 months.

The House recedes.

COVERAGE FOR DISABILITY BENEFICIARIES UNDER MEDICARE

Amendment Nos. 228-254: The House bill extended medicare coverage to individuals who had been receiving social security benefits on the basis of disability effective with July 1, 1973. The medicare coverage ended with the month in which the disability ceases.

The Senate amendments modified the House bill to extend medicare to women age 50 or older, entitled to mother's benefits who, for 24 months prior to the first month they would be entitled to medicare, met all requirements for disability benefits, except for the actual filing of a disability claim. The amendments also modified the House bill to continue medicare coverage through the month following the month in which notice of termination of disability benefits is mailed, rather than the month in which the disability ceases, as in the House bill.

The House recedes.

HOSPITAL INSURANCE BENEFITS FOR UNINSURED INDIVIDUALS NOT OTHERWISE ELIGIBLE

Amendment Nos. 255-271: The House bill permitted individuals who are uninsured for Part A medicare benefits to enroll for those benefits by paying a premium of \$31 per month, rising as hospital costs rise.

The Senate amendments modified the House bill (1) to make this provision effective July 1, 1973, instead of January 1, 1972; (2) to change Part A premium amount from \$31 to \$33 a month; and (3) to add a requirement that persons electing to enroll in Part A must also

enroll for Part B. Termination of enrollment in Part B would automatically result in termination of coverage under Part A as well.

The House recesses.

CHANGE IN SUPPLEMENTARY MEDICAL INSURANCE DEDUCTIBLE

Amendment No. 293: The House bill contained a provision increasing the Part B annual deductible from \$50 to \$60.

The Senate amendment deleted the provision.

The Senate recesses.

INCREASE IN LIFETIME RESERVE DAYS AND CHANGE IN HOSPITAL INSURANCE COINSURANCE AMOUNT UNDER MEDICARE

Amendment No. 294: The House bill increased the number of lifetime hospital reserve days from 60 to 120 and added coinsurance equal to $\frac{1}{8}$ of the inpatient deductible for each day beginning with the 31st day through the 60th day of hospitalization.

The Senate amendment deleted the House provisions and instead reduced the amount of coinsurance for each lifetime reserve day from the present $\frac{1}{2}$ to $\frac{1}{4}$ of the current inpatient hospital and deductible; effective after December 31, 1972.

The conference agreement would eliminate the House provisions and the Senate provisions with the result that no change would be made in present law.

AUTOMATIC ENROLLMENT FOR SUPPLEMENTARY MEDICAL INSURANCE

Amendment Nos. 295-298: The House bill provided that people reaching age 65 would be automatically enrolled under Part B unless they chose not to so enroll.

The Senate amendment modified the provision by excluding from its application those eligible Americans living outside the United States and Puerto Rico.

The House recesses.

CHANGES IN MEDICAID MATCHING PERCENTAGE IN CERTAIN CASES

Amendment Nos. 299-307: Section 207 of the House bill provided that there would be:

(1) an increase of 25 percent (up to a maximum of 95 percent) in the Federal medicaid matching percentage to States under contract with HMO's or other comprehensive health facilities;

(2) a decrease in the Federal medical assistance percentage by one-third after the first 60 days of care in a general or TB hospital;

(3) a reduction in the Federal percentage by one-third after the first 60 days of care in a skilled nursing home unless the State establishes that it has an effective utilization review program;

(4) a decrease in Federal matching by one-third after 90 days of care in a mental hospital and provision for no Federal matching after 275 additional days of such care during an individual's lifetime except that the 90-day period may be extended for an additional 30 days if the State shows that the patient will benefit therapeutically from such an additional period of hospitalization; and

(5) authority for the Secretary to compute a reasonable cost differential for reimbursement between skilled nursing homes and intermediate care facilities.

The Senate amendments provided:

Item (1) the increase in Federal matching for Health Maintenance Organizations and comprehensive health facilities is eliminated; Items (2), and (4) would not apply where a State makes a satisfactory showing to the Secretary that it has an effective program of control over the utilization of hospital and mental hospital care and conducts the independent professional audit of patients as required under present law. In addition, intermediate care facilities would be brought under this provision.

Item (5) was retained unchanged.

The House recedes.

COST SHARING UNDER MEDICAID

Amendment Nos. 308-313: The House bill required States which cover the medically indigent to impose premium charges on the medically indigent. The premium would be graduated by income in accordance with standards prescribed by the Secretary. In addition, States could at their option require payment by the medically indigent of deductibles and copayment amounts which would not have to vary by level of income. Finally, with respect to cash assistance recipients, nominal deductible and copayment requirements, while prohibited for the six mandatory services, would be permitted with respect to optional medicaid services.

The Senate amendments would, as the House bill, require the States to impose income-related premium charges on the medically indigent. However, non-income-related deductibles and copayments could be imposed on the medically indigent only for patient-initiated services and no deductibles or cost sharing devices could be imposed on cash assistance recipients.

The House recedes with an amendment restoring the House bill provision except that any deductibles and copayments which would be applied to the medically indigent must be nominal.

MEDICAID NOTCH PROVISIONS

Amendment No. 314: The House bill provided that States without a medically indigent program would be required to provide AFDC families with a deductible equal to one-third of all earnings over \$720 a year. The deductible amount is identical to the amount of earnings which families under the Family Assistance provisions of the House bill are allowed to retain as an incentive to work. In those States with programs for the medically indigent, a family assistance recipient would not have to pay the deductible until his retained earnings exceeded the difference between a State's cash assistance level and its medically indigent level. At this point, however, his medicaid deductible would increase dollar for dollar with his retained earnings. The House bill would also not have required States to cover adult

assistance recipients who are made newly eligible by the adult assistance provisions in the House bill.

The Senate amendment modified the House bill by retaining this latter provision but the other House provisions would be dropped and the following changes substituted:

(1) When a welfare family loses eligibility for any cash assistance because of increases in earnings, medicaid eligibility would be continued for a period of 12 months after cash assistance is stopped.

(2) After the 12-month period such a family could continue medicaid protection by paying a premium equal to 20 percent of family income in excess of \$2,400 a year. The Federal government would cover any costs which were not paid for by the premiums collected.

The House recedes with an amendment, which would (1) continue medicaid for four months, rather than 12 months, after cash assistance is stopped, and (2) eliminate the Senate provision which permits medicaid eligibility to continue beyond 12 months on an optional basis.

MEDICARE SERVICES OUTSIDE THE UNITED STATES

Amendment Nos. 323-324: The House bill provided for payment of medicare benefits for inpatient hospital services furnished outside the United States if the beneficiary is a resident of the United States and the foreign hospital is closer to, or substantially more accessible from his residence, than the nearest hospital in the United States which is suitable and available for his treatment. For such beneficiaries, benefits would be payable without regard to whether an emergency existed or where the illness or accident occurred. Only patient services furnished by a hospital which has been accredited by the Joint Commission on Accreditation of Hospitals or by a hospital-approval program having essentially comparable standards would be covered.

The House bill also provided for coverage under the medical insurance program of medically necessary physicians' services and ambulance services furnished in conjunction with covered foreign inpatient hospital services.

The Senate amendment retains all of the House provisions but added a new provision which would cover emergency hospital services furnished in Canada to U.S. residents traveling without unreasonable delay by the most direct route between Alaska and another State.

The House recedes.

OPTOMETRISTS SERVICES UNDER MEDICAID

Amendment No. 325: The Senate amendment added a new provision to the House bill under which a State which once covered optometrists' services under its medicaid program and now specifically covers eye care provided by physicians which an optometrist is authorized to provide must cover such services whether rendered by a physician or an optometrist.

The House recedes.

WAIVER OF MEDICARE BENEFICIARY LIABILITY IN CERTAIN CASES

Amendment No. 326: The Senate amendment added a new provision to the House bill under which an overpayment under medicare could be waived in certain circumstances where a medicare claim was disallowed. The liability for the overpayment would shift to the provider of the health care where it did not exercise due care in avoiding overpayment and the beneficiary exercised due care, the government would assume the liability. The provision is effective for claims for services furnished after June 30, 1971.

The House recedes with an amendment changing the effective date to apply to claims for services provided after the date of enactment of the bill.

MEDICARE COVERAGE FOR CERTAIN INDIVIDUALS AGE 60-64

Amendment No. 327: The Senate amendment added a new provision to the House bill which would permit people age 60 to 64 who are the spouses of medicare beneficiaries, or who are themselves eligible for cash social security benefits, to enroll under both Parts A and B of medicare at cost.

The Senate recedes.

DRUGS UNDER MEDICARE

Amendment No. 328: The Senate amendment added a new section 215 to the House bill amending Part A of medicare to cover the costs of certain specified drugs, purchased on an outpatient basis, which are necessary in the treatment of the most common, crippling or life-threatening, chronic disease conditions of the aged. Beneficiaries would be liable for \$1.00 of the cost of each prescription of a drug included in the reasonable cost range plus any cost in excess of the top of the reasonable cost range.

Under the provision, the drugs covered are those within specified therapeutic categories which are necessary in the treatment of the following conditions:

Diabetes; high blood pressure; chronic cardiovascular disease; chronic respiratory disease; chronic kidney disease; arthritis and rheumatism; gout; tuberculosis; glaucoma; thyroid disease; cancer; epilepsy; parkinsonism; myasthenia gravis.

The amendment would exclude drugs not requiring a physician's prescription (except for insulin), drugs such as antibiotics which are generally used for a short period of time and drugs such as tranquilizers and sedatives which may be used not only by beneficiaries suffering from serious chronic illnesses, but also by many other persons as well.

The amendment is designed to assure that funds are being targeted toward the most necessary drug entities within each covered therapeutic category, through establishment of a Medicare Formulary.

The Formulary would be compiled by a committee consisting of five members, a majority of whom would be physicians. Members would include the Commissioner of Food and Drugs and four individuals of recognized professional standing and distinction in the fields of

medicine, pharmacology or pharmacy who are not otherwise employed by the Federal Government and who do not have a direct or indirect financial interest in the economic aspects of the committee's decisions.

The Formulary Committee's primary responsibility would be to compile a Medicare Formulary which would contain a listing of the drug entities within the therapeutic categories covered by the program which, based upon its professional judgment, the committee finds necessary for proper patient care.

Participating pharmacies would file either their usual and customary markups or professional fee schedules as of June 1, 1972, which would then be applied to the estimated acquisition cost (usually average wholesale price) of the drug product. The usual and customary charge, including mark-up or professional fee, for purposes of program payments and allowances, could not exceed the 75th percentile of charges by comparable vendors in an area.

The Senate recesses.

COVERAGE OF EYEGLASSES, HEARING AIDS, DENTURES, AND PODIATRY UNDER MEDICARE

Amendment No. 329: The Senate amendment added a new section to the House bill which would include under Part B of Medicare the costs of eyeglasses, dentures, hearing aids, and podiatric services to members of families with annual incomes of \$5,000 or less and to individuals with annual incomes of less than \$3,000.

The Senate recesses.

INSPECTOR GENERAL FOR HEALTH ADMINISTRATION

Amendment No. 330: The Senate amendment added a new section to the House bill creating an Office of Inspector General for Health Administration within the Department of Health, Education, and Welfare. The Inspector General would be appointed by the President, would report to the Secretary, and would be responsible for reviewing and auditing the Social Security health programs on a continuing and comprehensive basis to determine their efficiency, economy and consonance with the Statute and Congressional intent.

The Inspector General would have authority to suspend (upon at least 30 days' notice to the Secretary) any regulation, practice, or procedure employed in the administration of any of the health care programs if he determines (as a result of any study, investigation, review, or audit) that the suspension will promote efficiency and economy in the administration of the program, or that the regulation, practice, or procedure involved is contrary to or does not carry out the objectives and purposes of applicable provisions of law. Any suspension would remain in effect until an order of reinstatement was issued by the Inspector General except that the Secretary might, at any time prior to or after any such suspension by the Inspector General, issue an order revoking the suspension.

When the Inspector General issued any order of suspension or reinstatement, he would promptly notify the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate and, in the case of an order relating to a State medicaid

plan, the Governor or other chief executive officer of the State, of the order, and submit to them information explaining the reasons for suspension or lifting of suspension. Where the Secretary terminates an order of suspension issued by the Inspector General, he is required also to submit an explanation of his reasons to the two committees.

The Inspector General could submit to the Committees on Ways and Means and Finance such reports relating to his activities as he deemed appropriate. He would, upon request of either committee for information, study, or investigation relating to, or within his responsibilities, cause such information to be furnished and such study or investigation to be undertaken.

The Senate recesses.

LIMITATION ON FEDERAL PARTICIPATION FOR DISAPPROVED CAPITAL EXPENDITURES

Amendment Nos. 332-334: The House bill precluded Medicare and Medicaid payments toward the capital costs of health facilities disapproved by health facilities planning agencies.

The Senate amendments modified the House bill by making the provision inapplicable to construction toward which preliminary expenditures of \$100,000 or more had been made on the 3-year period ending December 17, 1970.

The House recesses.

DEMONSTRATIONS, EXPERIMENTS, AND REPORTS ON VARIOUS SUBJECTS

Amendment Nos. 335-350: The House bill provided that the Secretary of Health, Education, and Welfare would be required to develop experiments and demonstration projects designed to test various methods of making payment to providers of services on a prospective basis under the medicare, medicaid, and maternal and child health programs.

The Senate amendments added a provision requiring submission of information on such projects in advance to Finance Committee and Ways and Means Committee.

The House recesses.

The Senate amendments modified the House bill to authorize the Secretary to specifically permit experimentation with reimbursement to ambulatory surgical centers.

The House recesses.

Peer Review.—The House bill authorized the Secretary to experiment with areawide or community-wide peer review, utilization review and medical review mechanisms.

The Senate bill removed this provision.

The House recesses. (See Amendment No. 476 for related provisions.)

Extended Care.—Under the House bill, the Secretary is to experiment with eliminating or reducing the present 3-day prior hospitalization requirement for eligibility to extended care benefits.

The Senate amendments made this provision more specific.

The House recesses.

Intermediate Care and Homemaker Services.—The Senate amendments authorized the Secretary to experiment with the use of institutional and homemaker services as alternatives to more costly, covered

posthospital services. Authority would include: (a) substituting Intermediate Care Facility care days for Extended Care Facility care days, and (b) covering homemaker services for up to 3 weeks.

The House recedes.

Physicians' Assistants Under Medicare.—The Senate amendments authorized the Secretary to engage in experiments and demonstration projects to determine the most appropriate and equitable method of paying for the services of physicians' assistants under medicare.

The House recedes.

Miscellaneous experiments.—The Senate amendments authorized experiments to provide day-care services to persons entitled to Part B of medicare and medicaid, to subsidize families who care for aged dependents who would otherwise be institutionalized, to determine whether payments for psychological and psychiatric care provided residents of skilled nursing facilities and ICF's under medicaid are adequate, and to develop methods to improve the rehabilitation of long-term patients and appropriate alternatives to long-term institutional care.

The House recedes with an amendment which would strike all of the Senate amendment except the provision for experiments with day care.

The Senate amendments added a provision to the House bill authorizing the Secretary to study whether the services of clinical psychologists may be made more generally available under medicare and medicaid.

The House recedes.

LIMITATION ON COSTS UNDER MEDICARE

Amendment Nos. 351-357: The House bill provided that provider costs which were found to be excessive would not be reimbursed under medicare and that beneficiaries could be charged for such expenses.

The Senate amendments modified the House provision to authorize disallowance of provider costs which are "substantially" in excess, rather than, as under the House bill, simply "in excess of", or more expensive than the items or services determined to be necessary in the efficient delivery of needed health services; and modified the House provision authorizing the collection of costs in excess of medicare ceilings from beneficiaries by excluding emergency care.

The House recedes with an amendment striking out the provision inserting the word "substantially".

REASONABLE CHARGES FOR MEDICAL SUPPLIES AND EQUIPMENT

Amendment Nos. 358-364: The House bill provided that the reimbursement amounts for medical services, supplies, and equipment cannot generally "exceed the lowest charge levels at which such services, supplies and equipment are widely available in a locality."

The Senate amendments modified the House bill by changing these words to "exceed the lower charge levels at which such services, supplies and equipment are widely and consistently available in a locality."

The House recedes with an amendment striking the provision which inserts the word "lower" in lieu of "lowest". The conferees intend that the term "medical services" not include services defined as physicians' services under medicare.

LIMITS ON PAYMENTS TO NURSING HOMES UNDER MEDICAID

Amendment No. 365: The House bill contained a provision which limits the average per diem costs for skilled nursing facilities and Intermediate Care Facilities countable for Federal matching to 105 percent of such costs a year earlier.

The Senate amendment deleted the provision.

The House recedes with an amendment restoring the House provision except that costs resulting from increases in patient services shall be exempted from the computation of average per diem costs for the current year.

HEALTH MAINTENANCE ORGANIZATIONS

Amendment Nos. 366-405: The House bill established an alternative method of reimbursing organizations defined as health maintenance organizations (HMO's) under the medicare program as follows:

Health Maintenance Organizations.—The House bill requires HMO's to provide all services and benefits covered under both Parts A and B. The Senate amendments require provision of all such services which are generally available to persons residing in the area served.

The House bill exempts from annual open enrollment requirement HMO's with more than 50 percent of enrollees age 65 or older. The Senate amendments permit HMO's to limit enrollment from any age group to prevent its membership from becoming non-representative of the population in the area it serves.

The House bill would reimburse HMO's at a rate equal to 95 percent of the estimated amount (with appropriate adjustments) otherwise payable if covered services were furnished by sources other than HMO's. To the extent that medicare reimbursement would yield a higher rate of return for medicare enrollees than for regular enrollees. Under the Senate bill, HMO's entitled to incentive reimbursement would share in savings (or losses) with the Government in accordance with a prescribed formula. The maximum gain or loss could not exceed 7½ percent of the amount by which actual experience is more or less than the adjusted per capita costs of services provided outside of the HMO. Prior loss amounts could be applied against future savings. The House bill establishes no minimum size or experience requirements for HMO's.

The Senate amendments provide that incentive reimbursement would be available to substantial established HMO's (a) with reasonable standards for quality of care at least equal to standards prevailing in the HMO area and (b) which have sufficient operating history and enrollment to permit evaluation of the capacity to provide appropriate care and to establish capitation rates. Established HMO's would have (1) a minimum enrollment of 25,000 not more than half of whom are 65 or older and (2) have been in operation for at least 2 years. Exception to the size requirement is provided for HMO's in

small communities or sparsely populated areas (5,000 members and 3 years of operation).

The Senate bill also added a provision requiring the Secretary to report to Congress annually regarding experience under the HMO provision.

The House recedes with two amendments. The first amendment deleting the word "generally" from the Senate version of the bill. The conferees expect that HMO's will make available, either directly or under other arrangements, such services covered under Part A and B that would otherwise be available to beneficiaries in an area in the absence of HMO's.

The second amendment would authorize incentive payments to qualified Health Maintenance Organizations equal to one-half of the difference between the organization's adjusted costs and adjusted average per capita costs for beneficiaries not enrolled in the HMO. Such incentive payments could not exceed, in any year, 10 percent of, adjusted average per capita costs. There would be no sharing in any losses incurred by the HMO. Types of costs recognized for purposes of calculating allowable costs within and without HMO's shall be those types otherwise allowable to non-HMO providers and practitioners.

REDUCTION OF MEDICAID SERVICES

Amendment No. 412:

Under present law a State cannot reduce its expenditures for the State share of medicaid from one year to the next. If a State wishes to modify its State plan so as to reduce the extent of care and services provided or to terminate any of its programs, the Governor must certify to the Secretary that a) the State share of medicaid expenditures will not be reduced, b) the State is complying with the provisions in its plan relating to utilization and costs of services, and c) the modification is not made for the purpose of increasing the standard or other formula for determining payments.

The House bill modified this provision by permitting a State to cut back the extent of coverage of optional services provided that it maintained its total dollar expenditure levels.

The Senate amendment modified the House by repealing the provisions of present law.

The House recedes.

HOSPITAL COST DETERMINATION UNDER MEDICAID

Amendment No. 413: The House bill allowed States, generally, to develop their own methods of reasonable reimbursement of hospitals rather than being required to follow the medicare regulations.

The Senate amendment deleted the House provision.

The House recedes with an amendment restoring the House provision except that the methods used by the States would be subject to approval by the Secretary.

FEDERAL MATCHING FOR MEDICAID ADMINISTRATION

Amendment Nos. 419-420: The House bill provided for Federal matching for the cost of designing, developing, and installing mecha-

nized claims processing and information retrieval systems at a rate of 90 percent and 75 percent for the operation of such systems.

The Senate amendments deleted the House provisions.

The Senate recesses with a technical amendment making it clear that the 75 percent matching funds would also include expenses incurred in any contracting for operating the system.

INSTITUTIONAL UTILIZATION REVIEW IN MEDICAID

Amendment Nos. 426-431: The House bill provided that hospitals and skilled nursing homes participating under medicaid must meet the same utilization committee requirements which now apply in the medicare program.

The Senate amendments modified the House bill by providing that the provision could be waived where an alternative system has been approved by the Secretary.

The House recesses.

QUALIFICATIONS OF CERTAIN HEALTH CARE PERSONNEL

Amendment Nos. 437-441: The House bill contained a provision which would require the Secretary to explore, develop, and apply appropriate means of determining the proficiency of health personnel disqualified or limited in responsibility under present medicare regulations.

The Senate amendment modified the House bill by setting a time—December 31, 1977—after which determinations of proficiency would not apply with respect to persons initially licensed by a State or seeking initial qualifications as a health care person. The Senate amendments also specified that cytotechnologists are included among the types of personnel to which the provision would apply.

The House recesses.

FALSE REPORTING AND FRAUDULENT ACTS UNDER MEDICARE AND MEDICAID

Amendment Nos. 442-449: The House bill contained a provision defining certain actions under the medicare and medicaid programs to be fraud and setting penalties therefor.

The Senate amendments substituted for "Any provider . . . or other person . . ." the word "Whoever" when discussing fraudulent acts performed in any application for payments or certifications under Medicare or Medicaid and defines the term "whoever" to include individuals and business entities such as corporations, associations, firms, partnerships, societies, and joint stock companies, as well as individuals.

The Senate recesses.

PROVIDER REIMBURSEMENT APPEALS

Amendment Nos. 450-464:

Under present law a fiscal intermediary determines the amount of reasonable cost to be paid to a provider of services. There is no spe-

cific legislative provision for an appeal by the provider of the intermediary's final reasonable cost determinations.

The House bill provided for the establishment of a Provider Reimbursement Review Board which would review cases involving medicare providers of services where the amount in controversy is \$10,000 or more.

The Senate amendment modified the House bill by including two additional situations which could serve as a basis for provider appeals. The first provision would enable groups of providers to appeal adverse final decisions of the fiscal intermediary to the Board where the amount at issue aggregates \$10,000 or more. The second modification enables any provider which believes that its fiscal intermediary has failed to make a timely cost determination on an acceptable supplemental filing where the initial filing was deficient, to appeal to the Board where the amount in controversy is \$10,000 or more.

The House recedes with an amendment to the Senate provision in the case of groups of providers by increasing the amount which must be at issue from \$10,000 to \$50,000. ✓

ROLE OF THE JOINT COMMISSION ON ACCREDITATION OF HOSPITALS IN MEDICARE

Amendment No. 465: The Senate amendment added a new section to the House bill which would authorize the Secretary to enter into an agreement with any State under which the State certifying agency would survey hospitals accredited by the Joint Commission on Accreditation of Hospitals on a limited basis, or a specific hospital, where, an allegation has been made that a condition exists in the hospital which is adverse to the health and safety of patients.

The House recedes.

DURABLE MEDICAL EQUIPMENT

Amendment No. 466: The Senate amendment added a new section to the House bill which would authorize the Secretary of Health, Education, and Welfare to experiment with reimbursement approaches (in various geographic areas) which are intended to avoid situations where total rentals for durable medical equipment exceed the purchase price, and to implement without further legislation any purchase approach found to be workable, desirable, and economical.

The House recedes.

UNIFORM STANDARDS FOR SKILLED NURSING FACILITIES—MEDICARE AND MEDICAID

Amendment No. 467: The Senate amendment added a new section to the House bill which provided for a single definition of and a single set of requirements for a skilled nursing home under medicaid and extended care facility under medicare. The definition would be the present medicare definition plus the following items:

(1) complete information on the identity of each person with an interest (direct or indirect) of 1 percent or more in the facility would have to be made public;

(2) the facility would have to cooperate with a program of independent medical audit of its patients; and

(3) the facility would have to meet the provisions of the Life Safety Code of the National Fire Protection Association (1967 Edition) except that the Secretary would have limited waiver authority.

In addition, the Senate amendment would require facilities to submit certified statements of their costs within 120 days of close of each fiscal year.

The House recedes with amendments as follows: (1) the amount of the interest in a facility requiring identification would be 10 percent rather than 1 percent; and (2) the provision requiring submission of cost statements is deleted.

SINGLE DEFINITION OF COVERED CARE IN NURSING HOMES FOR MEDICARE AND MEDICAID

Amendment No. 468: The Senate amendment added a new section to the House bill which would establish a single definition of covered care in a skilled nursing home which would apply to both medicare and medicaid. Services covered would be those services provided directly by, or requiring the supervision of, skilled nursing personnel, or skilled rehabilitation services, which the patient needs on a daily basis, and which as a practical matter can only be provided in a skilled nursing facility on an inpatient basis.

The House recedes.

14-DAY EXTENDED CARE FACILITY TRANSFER REQUIREMENT

Amendment No. 469: The Senate amendment added a new section to the House bill which would amend existing law to permit an interval of longer than 14 days between discharge from a hospital and admission to a skilled care facility under certain conditions; when, following discharge, the patient's condition does not permit the immediate provision of skilled nursing or rehabilitation services, or rehabilitation services, or the nonavailability of space prevents admission for not longer than 2 weeks beyond the 14 days.

The House recedes.

REIMBURSEMENT OF SKILLED NURSING HOMES AND INTERMEDIATE CARE FACILITIES UNDER MEDICAID

Amendment No. 470: The Senate amendment added a new section to the House bill which would require States to reimburse skilled nursing and intermediate care facilities on a reasonable cost-related basis by July 1, 1974.

The States would be able to use acceptable cost-finding techniques (not necessarily those utilized for medicare purposes) to determine reasonable reimbursement and apply to the results appropriate methodologies for determining payment.

The new Senate section further provided that cost reimbursement methods which the Secretary would find acceptable for a State medicaid program could also be adopted, with appropriate adjustments, in the State for purposes of medicare reimbursement. The Secretary would be permitted to adjust a rate upward, where appropriate. Where

a skilled nursing facility is a distinct part of, or directly operated by a hospital, reimbursement would be made for care in such facilities in the same manner as is applicable to the hospital's costs. Where a skilled nursing facility functions in a close formal medical satellite relationship with a hospital (which would be defined in regulations of the Secretary) reimbursement would be made on the basis of costs not to exceed 150 percent of the adjusted medicaid rate of payment (if the Secretary applies such rates to medicare facilities in that State) for care in that facility (or comparable facility).

The House recedes with an amendment changing the effective date to July 1, 1976.

COMMON CERTIFICATION PROCESS FOR SKILLED NURSING HOMES UNDER MEDICARE AND MEDICAID

Amendment No. 471: The Senate amendment added a new section to the House bill which provides that determination of basic eligibility of skilled nursing homes under medicaid would be made by the Secretary (rather than by the State).

The appropriate State health agency would survey facilities wishing to participate in either (or both) medicare or medicaid and report its findings and recommendations to the Secretary. The Secretary would base his action on the State-supplied information.

The House recedes with an amendment under which the Secretary would act as the certifying agent for medicaid only with respect to facilities which have also requested to be certified under medicare.

INCREASE IN FEDERAL FINANCING OF MEDICAID NURSING HOME CERTIFICATIONS

Amendment No. 472: The Senate amendment added a new section to the House bill which would increase from 75 to 100 percent the Federal share of the cost of certifying and inspecting skilled nursing homes under the medicaid system.

The House recedes with an amendment authorizing such increased matching only from October 1, 1972, to July 1, 1974.

DISCLOSURE OF INFORMATION ON PERFORMANCE OF MEDICARE CONTRACTORS

Amendment No. 473: The Senate amendment added a new section to the House bill which would require that the Secretary make public the following types of evaluations and reports dealing with the operation of the medicare and medicaid programs:

(1) individual contractor performance reviews and other formal evaluations of the performance of carriers, intermediaries, and State agencies, including the reports of follow-up reviews;

(2) comparative evaluations of the performance of contractors—including comparisons of either overall performance or of any particular contract or operation;

(3) program validation survey reports—with the names of individuals deleted.

Public disclosure of evaluations and reports would not be required to be made until the contractor, State agency, or facility was given

suitable opportunity—not to exceed 60 days—for comments as to the accuracy of the findings and conclusions of the evaluation or report with such comments being made part of the report where the portions originally objected to have not been modified in line with the comment. The reports would not be required to contain information concerning those deficiencies which are known by the Secretary to have been fully corrected within 60 days of the date they were initially brought to the attention of the contractor or provider of services.

The House recedes.

LIMITATION ON INSTITUTIONAL CARE UNDER MEDICAID

Amendment No. 474: The Senate amendment added a new section to the House bill precluding Federal matching for that portion of any money payment which is related institutional, medical, or other type of remedial care provided by an institution which is—(or could be) included under the medicaid program.

The House recedes.

ELIGIBILITY FOR MEDICAID OF SOCIAL SECURITY BENEFICIARIES

Amendment No. 475: The Senate amendment added a new provision to the House bill which would require that in those States which limit medicaid coverage to categorically needy persons (recipients of cash assistance or persons who would be eligible for cash payments except that they reside in an institution), no person who was medicaid-eligible in August 1972 could be deemed ineligible for medicaid solely because of the increase in income resulting from the 20 percent increase in social security benefits voted by the Congress in June 1972. In such cases States would have the option of requiring a person who leaves the cash rolls because of the social security increases to incur medical expenses in the amount of the excess income resulting from the benefit change before he receives medicaid coverage (in effect, instituting for these persons a spend-down similar to that applied in States with programs for the medically needy). Alternatively, a State may simply disregard that amount of the social security benefit increase by which income exceeds the standard for purposes of determining medicaid eligibility. Such a disregard would not be applicable for purposes of the cash assistance program.

The House receded with an amendment which strikes the Senate amendment substituting in lieu thereof a provision requiring that an individual eligible for medicaid and for cash public assistance in September 1972 not be made ineligible for medicaid from October 1972 through September 1973 solely because of the 20 percent social security benefit increase first paid on October 3, 1972.

PROFESSIONAL STANDARDS REVIEW ORGANIZATION

Amendment No. 476: The Senate amendment added a new section to the House bill which provides for the establishment of Professional Standards Review organizations consisting of substantial numbers of practicing physicians (usually 300 or more) in local areas to assume responsibility for comprehensive and on-going review of serv-

ices covered under the medicare and medicaid programs. The PSRO would be responsible for assuring that services were (1) medically necessary and (2) provided in accordance with professional standards. PSRO's would not be involved with reasonable charge determinations. The provision is designed to assure proper utilization of care and services provided in medicare and medicaid utilizing a formal professional mechanism representing the broadest possible cross-section of practicing physicians in an area. Safeguards are included, designed to protect the public interest, including appeals procedures, and to prevent pro forma assumption in carrying out review responsibilities. The provision requires recognition of and use by the PSRO of utilization review committees in hospitals and medical organizations to the extent determined effective.

The House recedes with the following amendment:

(1) Until January 1, 1976, the Secretary would be able to make an agreement only with a qualified organization which represents a substantial proportion of the physicians in the geographical area designated by the Secretary.

(2) A professional standards review organization would not be required to review other than institutional care and services unless such organization chooses to include the review of other services and the Secretary agrees.

(3) Until January 1, 1976, at the request of 10 percent or more of the practicing physicians in a geographical area designated by the Secretary, the Secretary would be required to poll the practicing physicians in the area as to whether or not an organization of physicians which has requested to conclude an agreement with the Secretary to establish a professional standards review organization in that area substantially represents the practicing physicians in that area.

If more than 50 percent of the practicing physicians in the area responding to the poll indicate that the organization does not substantially represent the practicing physicians in the area, the Secretary could not enter into an agreement with that organization.

COVERAGE OF PHYSICAL THERAPISTS UNDER MEDICARE

Amendment Nos. 478-499: The House bill contained a provision which (1) provided coverage under Part B of medicare for up to \$100 per calendar year of physical therapy services furnished by a licensed physical therapist in his office (or in the patient's home) under a physician's plan and (2) modified the reimbursement methods for physical therapists and other health-related personnel when providing services under an arrangement with a provider of services.

The Senate amendment deleted that portion of the House provision authorizing reimbursement for up to \$100 annually for physical therapy services in a therapist's office, and modified the House provision limiting reimbursement of therapists to authorize the Secretary, where the services of a therapist are required on a part-time or intermittent basis, to make payment on the basis of a reasonable rate per unit of service greater per unit of time than salary equivalent amounts where such payments, in the aggregate, are less than would have resulted, if the therapist was employed by the provider on a full or part-time salaried basis.

The House recedes with an amendment restoring the first item—coverage of physical therapy in a therapist's office.

COVERAGE OF PTOSIS BARS UNDER MEDICARE

Amendment No. 500: The House bill contained a provision which would cover ptosis bars under Part B of medicare.

The Senate amendment deleted the House provision.

The House recedes.

WAIVER OF ENROLLMENT PERIOD REQUIREMENTS UNDER MEDICARE

Amendment Nos. 505-506: The House bill contained a section which permits waived of certain enrollment requirements where the beneficiary was given erroneous information.

The Senate amendments modified the House provision by defining the prejudicial action as caused by an employee or agent of the Federal government rather than of HEW as in the House bill.

The House recedes.

SELECTION OF PART B CARRIERS FOR RAILROAD RETIREMENT BENEFICIARIES

Amendment Nos. 507-508: The House bill contained a provision which provided that the Railroad Retirement Board would be authorized to contract with a carrier or carriers for purposes of servicing its beneficiaries with respect to part B benefits, an arrangement presently in effect as a result of the Commissioner of Social Security having delegated his authority to do this to the Railroad Retirement Board.

The Senate amendments deleted the House provision.

The Senate recedes.

PROFESSIONAL SOCIAL WORKERS IN EXTENDED CARE FACILITIES UNDER MEDICARE

Amendment No. 509: The House bill contained a provision which would prohibit the Secretary of Health, Education, and Welfare from requiring that extended care facilities obtain the services of a professional social worker.

The Senate amendment deleted the House provision.

The Senate recedes.

ELIMINATION OF COINSURANCE FOR HOME HEALTH SERVICES

Amendment No. 557: The Senate amendment added a new section to the House bill which would remove the 20-percent coinsurance feature with respect to home health services under Part B of medicare.

The House recedes.

INTERMEDIATE CARE FACILITIES AND SKILLED NURSING ON INDIAN RESERVATIONS

Amendment No. 558: The Senate amendment added a new section to the House bill which would include as intermediate care facilities

and skilled nursing facilities under medicaid long-term care institutions on Indian reservations.

The House recedes.

GRANTS FOR NURSES AID TRAINING

Amendment No. 559: The Senate amendment added a new section to the House bill which would establish a grant program for training nurses' aides and orderlies.

The Senate recedes.

MEDICAID SPEND-DOWN LEVEL

Amendment No. 560: The Senate amendment added a new section to the House bill which would provide that any State which extends Title XIX services to the medically needy must provide for a medical assistance standard which is no lower than the payment standard for the related cash assistance program. The limitation under current law, whereby Federal matching is only available for services provided to persons whose income (after medical expenses) is no higher than 133 percent of the AFDC payment, adjusted for family size, would be overridden but only in those cases where the cash assistance standard for the appropriate recipient category exceeded 133 percent of the adjusted AFDC level.

The Senate recedes.

CLARIFICATION OF MEDICARE APPEAL PROCEDURES

Amendment No. 561: The Senate amendment added a new section to the House bill which would make clear that there is no authorization for an appeal to the Secretary or for judicial review on matters solely involving amounts of benefits under Part B, and that insofar as Part A amounts are concerned, appeal is authorized only if the amount in controversy is \$100 or more and judicial review only if the amount in controversy is \$1,000 or more.

The House recedes.

MEDICARE COVERAGE OF MINERS RECEIVING BLACK LUNG BENEFITS

Amendment No. 562: The Senate amendment added a new section to the House bill which would extend medicare coverage for individuals receiving black lung benefits under medicare.

The Senate recedes.

OCCUPATIONAL THERAPY UNDER MEDICARE

Amendment No. 563: The Senate amendment added a new section to the House bill which would modify the medicare home health provisions by providing that the need for occupational therapy would be added to the list of needs which can qualify an individual for home health services

The Senate recedes.

LIMITATIONS ON RECOVERY OF OVERPAYMENTS

Amendment No. 529: The Senate amendment added a new section to the House bill which would limit medicare's right of recovery of overpayments to a 3-year period (or less, but not less than one year) from the date of payment, where the provider of services or the beneficiary involved acted in good faith; would enable the Secretary to specify a reasonable period of time (of not less than one year or more than 3 years) after which medicare would not be required to accept claims for underpayment or nonpayment.

The House recedes.

INCREASE IN FEDERAL MATCHING FOR MEDICAL PERSONNEL UNDER
CONTRACT UNDER MEDICAID

Amendment No. 530: The Senate amendment added a new section to the House bill which would permit 75-percent Federal matching for the reasonable costs of paying for the services of professional medical personnel under contract with a State to help perform medicaid functions. Present law limits the 75-percent rate to such professionals employed by State agencies.

The Senate recedes.

OUTPATIENT SPEECH PATHOLOGY UNDER MEDICARE

Amendment No. 531: The Senate amendment added a new section to the House bill which would provide additional coverage of speech therapy services under Part B when furnished by an organized health agency, clinic, or public health agency. The "clinic" could be composed of a single speech pathologist. The services must be furnished under a plan of care prepared by a physician.

The House recedes with an amendment revising the provision to cover speech pathology services furnished by an organization now eligible to furnish covered physical therapy services.

SERVICES OF CLINICAL PSYCHOLOGISTS UNDER MEDICARE

Amendment No. 532: The Senate amendment added a new section to the House bill which would remove the Part B requirement that the services of clinical psychologists now covered under medicare be provided under the direct supervision of a physician.

The Senate recedes.

OUTPATIENT REHABILITATION SERVICES UNDER MEDICARE

Amendment No. 533: The Senate amendment added a new section to the House bill which would establish a new benefit category under Part B for outpatient rehabilitation in outpatient settings. The organization providing such services would have to meet standards similar to these applied now to providers of outpatient physical therapy services.

The Senate recedes.

ASSIGNMENT OF FISCAL INTERMEDIARIES BY THE SECRETARY OF HEALTH,
EDUCATION, AND WELFARE, UNDER MEDICARE

Amendment No. 534: The Senate amendment added a new section to the House bill which would authorize the Secretary to assign or

reassign providers to available intermediaries wherever such assignment or reassignment would result in more efficient administration. In making an assignment, the Secretary would be required to take the provider's choice of intermediary into consideration but he would not be bound by the provider's choice.

The Senate recesses.

TERMINATION OF MEDICAL ASSISTANCE ADVISORY COUNCIL

Amendment No. 535: The Senate amendment added a new section to the House bill which would terminate the present Medical Assistance Advisory Council which advises the Secretary on matters related to the medicaid program.

The House recesses.

CHANGE IN ROLE OF HEALTH INSURANCE BENEFITS ADVISORY COUNCIL

Amendment No. 536: The Senate amendment added a new section to the House bill which would modify the function of the Health Insurance Benefits Advisory Council so that its role would be to provide recommendations on matters of general policy with respect to Medicare and Medicaid. The Council would only meet as often as the Secretary deems necessary, but not less than annually.

The House recesses.

ADMINISTRATION OF OATHS IN MEDICARE PROCEEDINGS

Amendment No. 537: The Senate amendment added a new provision to the House bill which would permit the Secretary to administer oaths and affirmations in medicare proceedings in the same way and to the same extent he is now permitted in cash social security benefit proceedings under Title II of the Social Security Act.

The House recesses.

WITHHOLDING MEDICAID PAYMENTS WHEN A PROVIDER OWES THE MEDICARE PROGRAM

Amendment No. 538: The Senate amendment added a new section to the House bill which would authorize the Secretary of Health, Education, and Welfare to withhold future Federal financial participation in State medicaid payments to institutions which have withdrawn from medicare without refunding monies which they owe medicare or without filing final cost reports with medicare unless they enter into settlement negotiations with the Secretary.

The House recesses.

MATERNAL AND CHILD HEALTH

Amendment No. 539: The Senate amendment added a new section to the House bill which would extend for an additional year (through June 30, 1974) the present direct Federal grants part of the maternal and child health program.

The Senate recesses.

PERMITTING INTERMEDIATE CARE PROGRAMS IN STATES WITHOUT MEDICAID

Amendment No. 540: The Senate amendment added a new section to the House bill which would allow Federal matching for intermedi-

ate care in States which, on January 1, 1972, did not have a medicaid program.

The House recedes.

APPOINTMENT AND CONFIRMATION OF ADMINISTRATOR OF SOCIAL AND REHABILITATION SERVICE

Amendment No. 542: The Senate amendment added a new section to the House bill which would make appointments to the Office of Administrator of the Social and Rehabilitation Service subject to Presidential approval and Senate confirmation.

The House recedes.

DELETION OF MAINTENANCE OF EFFORT REQUIREMENT FOR MENTAL PATIENTS UNDER MEDICARE

Amendment No. 543: The Senate amendment deleted the maintenance of effort requirement for care of people 65 and over in mental hospitals under the medicaid program.

The House recedes.

GRANTS FOR TRAINING OF INTERMEDIATE CARE FACILITY ADMINISTRATORS

Amendment No. 544: The Senate amendment added a new section to the House bill which would authorize expenditures for fiscal years 1973 and 1974 for the training of Intermediate Care Facility administrators who cannot meet Federal standards.

The Senate recedes.

INTERMEDIATE CARE FACILITIES AS MENTAL HEALTH INSTITUTIONS UNDER MEDICARE

Amendment No. 545: The Senate amendment added a new section to the House bill which provided that when a State chooses to cover individuals age 65 and over in institutions for tuberculosis or mental diseases it must cover such care in intermediate care facilities as well as in hospitals and skilled nursing homes. The provision would be effective after December 31, 1971.

The House recedes with an amendment making the effective date after December 31, 1972.

INDEPENDENT MEDICAL REVIEW IN INTERMEDIATE CARE FACILITIES

Amendment No. 546: The Senate amendment added a new section to the House bill which would require that inpatients of all intermediate care facilities be subject to independent medical audit not, as under present law, just the inpatients of intermediate care facilities which furnish a minimum level of health care.

The House recedes.

MODIFICATION OF MAINTENANCE OF EFFORT PROVISION WITH RESPECT TO PUBLIC INTERMEDIATE CARE FACILITIES

Amendment No. 547: The Senate amendment added a new section to the House bill which would modify the maintenance of effort provision in present law (enacted as part of Public Law 92-223) with

respect to public institutions for the mentally retarded by (1) providing for a base year consisting of the four calendar quarters immediately preceding the quarter in which such services were covered and (2) providing that the provisions will expire on January 1, 1975.

The House recedes.

DISCLOSURE OF OWNERSHIP OF INTERMEDIATE CARE FACILITIES

Amendment No. 548: The Senate amendment added a new section to the House bill which would require: (1) the disclosure of the name and address of each person having a 10-percent interest (direct or indirect) in an intermediate care facility; and (2) that intermediate care facilities submit a cost report to the State medicaid agency within 120 days after the close of the fiscal year.

The House recedes with an amendment striking out item 2.

MEDICAID COVERAGE OF MENTALLY ILL CHILDREN

Amendment No. 549: The Senate amendment added a provision to the House bill which would authorize Federal matching for medicaid eligible children under age 21 who are inpatients in institutions for mental diseases. The new section also authorizes the Secretary of Health, Education, and Welfare to conduct, through contracts with State agencies, a limited number of demonstration projects to determine the feasibility of extending medicaid mental hospital coverage to mentally ill persons who are otherwise eligible for medicaid and who are between the ages of 21 and 65.

The House recedes with amendments as follows: (1) by providing that Federal matching would not be available with respect to any otherwise eligible individual unless such individual is formally certified to be in need of the institutional care and services authorized under the Senate amendment by an independent review team consisting of medical and other personnel qualified to make such determination; the review must also include a finding that the active care and treatment to be provided can reasonably be expected to result in significant improvement in the mental condition of such individual leading to the eventual discharge from the institution, and (b) by striking out the provisions authorizing demonstration projects for mentally ill persons between age 21 and 65.

DISCLOSURE OF SURVEY INFORMATION ABOUT HEALTH FACILITIES UNDER MEDICARE AND MEDICAID

Amendment No. 550: The Senate amendment added a new section to the House bill which would require the Secretary of Health, Education, and Welfare to identify, and make available to the public, information derived from a survey of a health facility or organization on the absence or presence of significant deficiencies in that facility or organization.

The House recedes.

CHANGES IN FAMILY PLANNING REQUIREMENTS

Amendment No. 551: The Senate amendment added a new section to the House bill which (1) would increase Federal matching for

family planning services to 100 percent and make family planning a mandated service under medicaid; and, (2) would reduce Federal matching for regular AFDC cash payments by 2 percent in any year the State did not inform AFDC adults of the availability of family planning counseling and related medical care.

The House recedes with amendments which (1) would set the matching rate for family planning services at 90 percent and (2) would reduce the 2 percent figure to 1 percent for reductions in AFDC payments for failure to inform or supply recipients with requested family planning services.

PENALTY FOR FAILURE TO SCREEN AND CARE FOR CHILDREN UNDER MEDICAID

Amendment No. 552: The Senate amendment added a new section to the House bill which specifies that the Federal share of AFDC matching funds would be reduced by 2 percent beginning in fiscal year 1975 if a State in the prior year (a) has failed to inform AFDC families of the availability of child health screening services for children of ages eligible for such services; or (b) failed to actually provide for or arrange for such services; or (c) failed to arrange for or refer to appropriate corrective treatment children disclosed by such screening as suffering illness or impairment.

The House recedes with an amendment which would decrease the 2 percent figure to 1 percent.

TITLE XV, AID TO DISABLED NARCOTIC AND ALCOHOLIC ADDICTS, EFFECTIVE JANUARY 1, 1973

Amendment Nos. 553-554: The Senate amendments added a new section to the House bill which: (a) precludes eligibility of medically determined alcoholics and addicts for welfare under AFDC and for benefits, on the basis of disability, under the Supplemental Security Income program, and (b) establishes a program under the new title, Title XV of the Social Security Act designed to require appropriate professional care and treatment of alcoholics and addicts utilizing existing agencies and mechanisms. Maintenance payments could be made only as part of a treatment and rehabilitation program. Matching funds under this title would be at the rates otherwise provided for the type of payments made (medical care and treatment would be matched at medicaid rates and cash payments and defined social services matched at the rates applicable to the category under which the person would otherwise be aided).

The Senate recedes (see related provisions in amendments of programs for the aged, blind, and disabled).

CHRONIC RENAL DISEASE COVERAGE UNDER MEDICARE

Amendment No. 555: The Senate amendment added a new section to the House bill which provided that fully or currently insured workers, and their dependents, with chronic renal disease would be deemed disabled for purposes of coverage under medicare. Coverage would begin 6 months after the onset of the condition providing that such individuals require hemodialysis or renal transplantation.

The House recedes with an amendment which would modify the Senate provision by providing that coverage would begin with the fourth month after the individual first receives hemodialysis services.

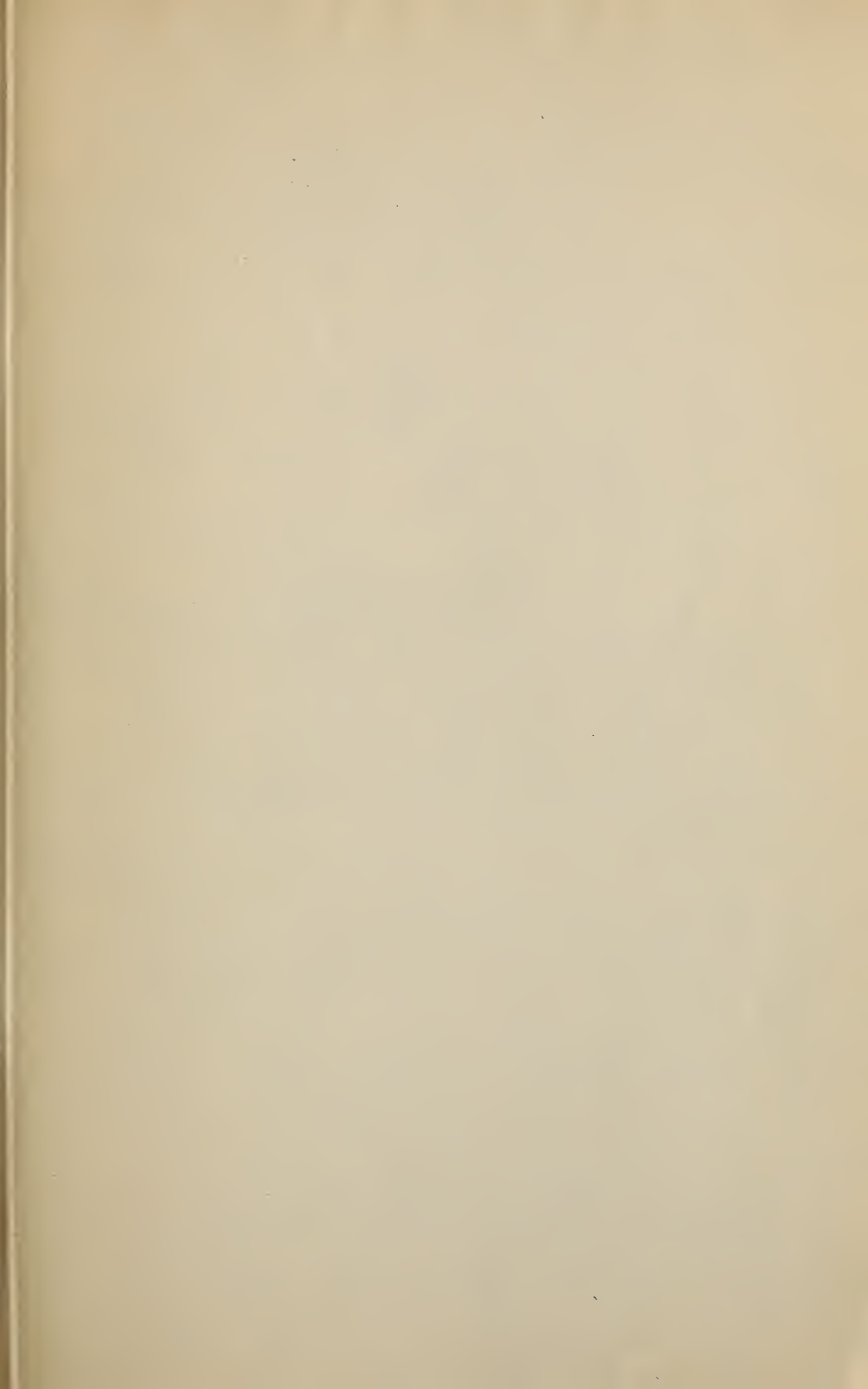
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